

Annual Report

March 31, 2015

Ivy Funds

Ivy Asset Strategy Fund

Ivy Balanced Fund

Ivy Energy Fund

Ivy Global Natural Resources Fund

Ivy Global Real Estate Fund

Ivy Global Risk-Managed Real Estate Fund

Ivy Real Estate Securities Fund

Ivy Science and Technology Fund



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This report is submitted for the general information of the shareholders of Ivy Funds. It is not authorized for distribution to prospective investors in the Funds unless preceded or accompanied by a current Ivy Funds prospectus, or summary prospectus, and current performance information, including current Lipper ranking information.



Henry J. Herrmann, CFA

Dear Shareholder,

The U.S. was the bright spot on the global economic landscape over the year since our last report to you. Very sluggish growth continued in Europe, while growth in China hit its slowest pace in years. Geopolitical tensions rose in the Middle East and Russia. In the U.S., however, the economy continued its gradual growth, supported by improving data on a number of fronts, including gains in hiring and consumer spending. The financial markets experienced intermittent volatility over the fiscal year, but overall realized positive returns.

One of the most significant developments over the period was the steep drop in energy prices. The decline in oil and a sharp rally in the U.S. dollar combined to fuel market volatility, starting in the summer of calendar 2014 and continuing in varying degrees through the first quarter of calendar 2015. Equities were particularly volatile in the fall, when we saw the S&P 500 Index shed nearly 150 points between mid-September and mid-October. Stocks recovered quickly, however, with the index regaining all of the lost ground by Halloween and touching record-high territory.

In fixed income markets, global economic sluggishness drove already-low yields even lower. Yields on investment-grade securities continued at exceptionally low levels. Central banks around the world took steps to address growth concerns, resulting in negative interest rates in parts of Europe.

The U.S. economy's ability to maintain growth in the face of sluggish global growth is one of the key questions for the months ahead. It is our view that U.S. economic growth will continue. We believe an improving U.S. jobs picture, little inflation and low interest rates create a favorable environment for U.S. businesses and will combine to drive corporate earnings growth and equity valuations.

This is not to imply, however, that it will be a year free from volatility on the domestic front. Questions remain about the future behavior of oil prices and the strength of the dollar. While challenges remain, we do see potential catalysts for growth in several areas and industries and our team continues to seek investment opportunities around the globe.

Economic Snapshot

	3/31/15	3/31/14
S&P 500 Index	2,067.89	1,872.34
MSCI EAFE Index	1,849.34	1,915.69
10-Year Treasury Yield	1.94%	2.73%
U.S. unemployment rate	5.50%	6.70%
30-year fixed mortgage rate	3.69%	4.65%
Oil price per barrel	\$ 47.60	\$ 101.58

Sources: Bloomberg, U.S. Department of Labor, MBA, CME

All government statistics shown are subject to periodic revision. The S&P 500 Index is an unmanaged index that tracks the stocks of 500 primarily large-cap U.S. companies. MSCI EAFE Index is an unmanaged index comprised of securities that represent the securities markets in Europe, Australasia and the Far East. It is not possible to invest directly in any of these indexes. Mortgage rates are from BankRate and reflect the overnight national average rate on a conventional 30-year fixed loan. Oil prices reflect the market price of West Texas intermediate grade crude.

Respectfully,

A handwritten signature in dark ink, appearing to read "Henry J. Herrmann", with a stylized flourish at the end.

Henry J. Herrmann, CFA
President

The opinions expressed in this letter are those of the President of the Ivy Funds and are current only through the end of the period of the report, as stated on the cover. The President's views are subject to change at any time, based on market and other conditions, and no forecasts can be guaranteed.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Expense Example

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and exchange fees; and (2) ongoing costs, including management fees, distribution and service fees, and other Fund expenses. The following table is intended to help you understand your ongoing costs (in dollars) of investing in a Fund and to compare these costs with the 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 six-month period ended March 31, 2015.

Actual Expenses

The first section in the following table provides information about actual account values and actual expenses for each share class. You may use the information in this section, 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, a \$7,500 account value divided by \$1,000 = 7.5), then multiply the result by the number in the first section under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. There may be additional fees charged to holders of certain accounts that are not included in the expenses shown in the table. Fees apply to Individual Retirement Accounts (IRAs), IRA Rollovers, Roth IRAs, Conversion Roth IRAs, Simplified Employee Pension (SEP), Savings Incentive Match Plan for Employees (SIMPLE) IRAs, Tax-Sheltered Accounts (TSAs), Keogh Plans, Owner Only 401(k) (Exclusive K) Plans and Final Pay Plans. As of the close of the six months covered by the table, a customer is charged an annual fee of \$18 within each plan type. This fee is waived for IRA Rollovers and Conversion Roth IRAs if the customer owns another type of IRA. Coverdell Education Savings Account plans are charged an annual fee of \$10 per customer. With limited exceptions, for Class A and Class C shares, if your Fund account

balance is below \$650 on the Friday prior to the last week of September of each year, the account will be assessed an account fee of \$20. You should consider the additional fees that were charged to your Fund account over the six-month period when you estimate the total ongoing expenses paid over the period and the impact of these fees on your ending account value as such additional expenses are not reflected in the information provided in the following table. Additional fees have the effect of reducing investment returns.

Hypothetical Example for Comparison Purposes

The second section in the following table provides information about hypothetical account values and hypothetical expenses for each share class based on the Fund's actual expense ratio and an assumed rate of return of five percent 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 five percent hypothetical example with the five percent 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 only and do not reflect any transactional costs, such as sales charges (loads) or exchange fees. Therefore, the second section in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Expenses paid may be impacted by expense reduction arrangements. If those arrangements had not been in place, expenses paid would have been higher. See Note 7 to the Financial Statements for further information.

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Asset Strategy Fund							
Class A	\$1,000	\$1,012.50	\$4.83	\$1,000	\$1,020.10	\$4.85	0.97%
Class B**	\$1,000	\$1,008.60	\$8.54	\$1,000	\$1,016.42	\$8.57	1.71%
Class C	\$1,000	\$1,008.60	\$8.44	\$1,000	\$1,016.55	\$8.47	1.68%
Class E	\$1,000	\$1,012.30	\$5.03	\$1,000	\$1,019.95	\$5.05	1.00%
Class I	\$1,000	\$1,013.40	\$3.62	\$1,000	\$1,021.28	\$3.64	0.73%
Class R	\$1,000	\$1,010.20	\$6.63	\$1,000	\$1,018.31	\$6.66	1.33%
Class R6	\$1,000	\$1,014.20	\$2.92	\$1,000	\$1,022.02	\$2.93	0.58%
Class Y	\$1,000	\$1,012.00	\$4.83	\$1,000	\$1,020.10	\$4.85	0.97%

See footnotes on page 6.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Balanced Fund							
Class A	\$1,000	\$1,058.60	\$ 5.66	\$1,000	\$1,019.44	\$ 5.55	1.10%
Class B**	\$1,000	\$1,054.90	\$ 9.35	\$1,000	\$1,015.81	\$ 9.17	1.83%
Class C	\$1,000	\$1,055.60	\$ 9.15	\$1,000	\$1,016.01	\$ 8.97	1.79%
Class E***	\$1,000	\$1,060.00	\$ 4.84	\$1,000	\$1,020.23	\$ 4.75	0.94%
Class I	\$1,000	\$1,060.00	\$ 4.33	\$1,000	\$1,020.70	\$ 4.24	0.85%
Class R	\$1,000	\$1,057.10	\$ 7.41	\$1,000	\$1,017.72	\$ 7.26	1.45%
Class R6	\$1,000	\$1,061.10	\$ 3.61	\$1,000	\$1,021.43	\$ 3.54	0.70%
Class Y	\$1,000	\$1,059.00	\$ 5.66	\$1,000	\$1,019.47	\$ 5.55	1.10%
Ivy Energy Fund							
Class A	\$1,000	\$ 831.70	\$ 6.78	\$1,000	\$1,017.51	\$ 7.46	1.49%
Class B**	\$1,000	\$ 828.50	\$10.51	\$1,000	\$1,013.42	\$11.58	2.31%
Class C	\$1,000	\$ 829.00	\$ 9.51	\$1,000	\$1,014.53	\$10.48	2.09%
Class E***	\$1,000	\$ 832.80	\$ 5.41	\$1,000	\$1,019.05	\$ 5.96	1.18%
Class I	\$1,000	\$ 832.80	\$ 4.95	\$1,000	\$1,019.50	\$ 5.45	1.09%
Class R	\$1,000	\$ 830.70	\$ 7.69	\$1,000	\$1,016.50	\$ 8.47	1.69%
Class R6	\$1,000	\$ 833.90	\$ 4.31	\$1,000	\$1,020.26	\$ 4.75	0.94%
Class Y	\$1,000	\$ 831.80	\$ 6.14	\$1,000	\$1,018.22	\$ 6.76	1.35%
Ivy Global Natural Resources Fund							
Class A	\$1,000	\$ 840.50	\$ 7.55	\$1,000	\$1,016.75	\$ 8.27	1.64%
Class B**	\$1,000	\$ 837.10	\$11.57	\$1,000	\$1,012.34	\$12.68	2.53%
Class C	\$1,000	\$ 838.10	\$10.20	\$1,000	\$1,013.83	\$11.18	2.23%
Class E	\$1,000	\$ 842.60	\$ 5.80	\$1,000	\$1,018.63	\$ 6.36	1.26%
Class I	\$1,000	\$ 843.40	\$ 5.07	\$1,000	\$1,019.42	\$ 5.55	1.11%
Class R	\$1,000	\$ 840.30	\$ 7.82	\$1,000	\$1,016.41	\$ 8.57	1.71%
Class R6	\$1,000	\$ 843.40	\$ 4.42	\$1,000	\$1,020.15	\$ 4.85	0.96%
Class Y	\$1,000	\$ 842.30	\$ 6.26	\$1,000	\$1,018.17	\$ 6.86	1.36%
Ivy Global Real Estate Fund							
Class A	\$1,000	\$1,120.10	\$ 8.06	\$1,000	\$1,017.38	\$ 7.67	1.52%
Class B**	\$1,000	\$1,114.10	\$13.85	\$1,000	\$1,011.79	\$13.18	2.64%
Class C	\$1,000	\$1,114.00	\$14.06	\$1,000	\$1,011.59	\$13.38	2.68%
Class I	\$1,000	\$1,119.40	\$ 8.69	\$1,000	\$1,016.74	\$ 8.27	1.64%
Class R	\$1,000	\$1,115.90	\$11.85	\$1,000	\$1,013.74	\$11.28	2.24%
Class Y	\$1,000	\$1,120.40	\$ 7.95	\$1,000	\$1,017.40	\$ 7.57	1.51%
Ivy Global Risk-Managed Real Estate Fund							
Class A	\$1,000	\$1,121.40	\$ 7.96	\$1,000	\$1,017.42	\$ 7.57	1.51%
Class B**	\$1,000	\$1,116.90	\$11.96	\$1,000	\$1,013.66	\$11.38	2.26%
Class C	\$1,000	\$1,117.80	\$12.07	\$1,000	\$1,013.51	\$11.48	2.29%
Class I	\$1,000	\$1,121.90	\$ 7.21	\$1,000	\$1,018.14	\$ 6.86	1.36%
Class R	\$1,000	\$1,118.80	\$10.38	\$1,000	\$1,015.15	\$ 9.87	1.96%
Class Y	\$1,000	\$1,122.40	\$ 7.96	\$1,000	\$1,017.46	\$ 7.57	1.50%

See footnotes on page 6.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Real Estate Securities Fund							
Class A	\$1,000	\$1,205.50	\$ 7.94	\$1,000	\$1,017.77	\$ 7.26	1.44%
Class B**	\$1,000	\$1,200.10	\$12.87	\$1,000	\$1,013.23	\$11.78	2.35%
Class C	\$1,000	\$1,201.10	\$11.78	\$1,000	\$1,014.21	\$10.78	2.15%
Class E	\$1,000	\$1,204.10	\$ 9.15	\$1,000	\$1,016.61	\$ 8.37	1.67%
Class I	\$1,000	\$1,208.00	\$ 5.63	\$1,000	\$1,019.87	\$ 5.15	1.01%
Class R	\$1,000	\$1,204.30	\$ 8.93	\$1,000	\$1,016.79	\$ 8.17	1.63%
Class R6	\$1,000	\$1,209.20	\$ 4.75	\$1,000	\$1,020.62	\$ 4.34	0.86%
Class Y	\$1,000	\$1,206.70	\$ 6.95	\$1,000	\$1,018.67	\$ 6.36	1.26%
Ivy Science and Technology Fund							
Class A	\$1,000	\$1,068.20	\$ 6.51	\$1,000	\$1,018.66	\$ 6.36	1.26%
Class B**	\$1,000	\$1,064.10	\$10.32	\$1,000	\$1,014.95	\$10.07	2.00%
Class C	\$1,000	\$1,064.40	\$10.01	\$1,000	\$1,015.23	\$ 9.77	1.95%
Class E	\$1,000	\$1,067.30	\$ 7.34	\$1,000	\$1,017.81	\$ 7.16	1.43%
Class I	\$1,000	\$1,069.70	\$ 4.97	\$1,000	\$1,020.10	\$ 4.85	0.97%
Class R	\$1,000	\$1,066.50	\$ 8.06	\$1,000	\$1,017.12	\$ 7.87	1.57%
Class R6	\$1,000	\$1,070.60	\$ 4.24	\$1,000	\$1,020.84	\$ 4.14	0.82%
Class Y	\$1,000	\$1,068.50	\$ 6.31	\$1,000	\$1,018.87	\$ 6.16	1.22%

*Fund expenses for each share class are equal to the Fund's annualized expense ratio for each share class (provided in the table), multiplied by the average account value over the period, multiplied by 182 days in the six-month period ended March 31, 2015, and divided by 365.

**These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

***Class share is closed to investment.

(1) This section uses the Fund's actual total return and actual Fund expenses. It is a guide to the actual expenses paid by the Fund in the period. The "Ending Account Value" shown is computed using the Fund's actual return and the "Expenses Paid During Period" column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. A shareholder may use the information here, together with the dollar amount invested, to estimate the expenses that were paid over the period. For every thousand dollars a shareholder has invested, the expenses are listed in the last column of this section.

(2) This section uses a hypothetical five percent annual return and actual Fund expenses. It helps to compare the Fund's ongoing costs with other mutual funds. A shareholder can compare the Fund's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

The above illustrations are based on ongoing costs only and do not include any transactional costs, such as sales loads or exchange fees.



Michael L. Avery



Chace Brundige



Cynthia P. Prince-Fox

Below, Michael L. Avery, Cynthia P. Prince-Fox and Chace Brundige, CFA, portfolio managers of Ivy Asset Strategy Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Avery has managed the Fund for 18 years and has 36 years of industry experience. Ms. Prince-Fox and Mr. Brundige became portfolio managers on August 4, 2014. Ms. Prince-Fox has 32 years of industry experience and Mr. Brundige has 21 years of industry experience. Ryan C. Caldwell, who had served as co-portfolio manager of the Fund since 2007, left the company effective June 15, 2014.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Asset Strategy Fund (Class A shares at net asset value)	-2.28%
Ivy Asset Strategy Fund (Class A shares including sales charges)	-7.90%
Benchmark(s) and/or Lipper Category	
S&P 500 Index (generally reflects the performance of large- and medium-sized U.S. stocks)	12.73%
Barclays U.S. Aggregate Bond Index (generally reflects the performance of most U.S.-traded investment grade bonds)	5.72%
Barclays U.S. Treasury Bills: 1-3 Month Index (generally reflects the performance of investment-grade Treasury bills, representing cash)	0.02%
Lipper Alternative Global Macro Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	1.36%

Multiple indexes are shown because the Fund invests in multiple asset classes.

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Market gains after volatile year

U.S. equities closed a somewhat volatile year with gains after repeatedly reaching record highs in broad market indexes during the period. In October 2014, the S&P 500 Index broke below its 200-day moving average for the first time in almost two years. Global equities in general also finished the year slightly higher. Crude oil prices plunged worldwide in the second half of 2014 to levels not seen since 2009 on forecasts of reduced global demand along with OPEC's unwillingness to cut production. Late in the fiscal year, oil seemed to have found some support around the \$50 per barrel level. While the debate continues about when and where the price ultimately bottoms, we believe lower oil prices could translate into another powerful tailwind for global growth.

The U.S. Federal Reserve, as expected, removed "patient" from its March 18, 2015, statement. We think it is likely this was done to allow flexibility in the timing of interest rate hikes. But the Fed then lowered its forecast for gross domestic product and inserted language assuring markets it would not raise rates until it was "reasonably confident" the 2% inflation target is achieved. Markets rallied on the news and took this to mean higher short-term rates were unlikely until the second half of 2015.

Many global central banks were in easing mode during the final quarter of the fiscal year — at least 20, including the Bank of Japan and the People's Bank of China — to stimulate their economies and, in most cases, weaken their currencies. The most surprising move in our view was by the Swiss National Bank in January 2015, which cut interest rates by 0.5 percentage point and removed its four-year-old currency peg to the euro. In March 2015, the European Central Bank began its own quantitative easing program, implementing a larger-than-expected bond purchasing program of more than 1 trillion euros. By the end of the fiscal year, activity and sentiment showed improvement in the Eurozone, led by Germany. Both the Northern and Southern European regions, except Greece, benefitted from extremely low yields. Greece's membership in the European Union remained unresolved as the fiscal year came to a close, but we do not think there is much interest on either side for the country to leave the European Union. Geopolitical forces, including the continued turmoil in Ukraine and Russia — which prompted economic sanctions against some Russian banks by western countries in the first half of 2014 — and across the Middle East, unsettled global markets at various times during the year.

U.S. economic trends remained positive during the fiscal year, although the economy looked somewhat softer in the final quarter. It is widely assumed that change was because of bad winter storms and a work stoppage at West Coast ports. We think it is likely the data will show improvement as we move through 2015.

Reviewing fund returns

The Fund reported a negative return for the fiscal year, trailing the positive return of its all-equities benchmark, the S&P 500 Index. We began the year with a cautious outlook given the unknown risks of an extended period of monetary policy that resulted in the reflation of asset prices. Our investment process led us to use the Fund's flexibility to begin increasing the cash allocation in 2013 and that continued through the first half of 2014, based on that outlook. At the same time, we maintained an elevated allocation to equities and continued to believe equities offered the best alternative for generating returns on a relative basis in a low-growth, low-interest rate environment. We focused on increasing the Fund's stock-specific risk in areas where we had the highest conviction in long-term fundamentals.

The largest detractors from performance during the fiscal year relative to the Fund's benchmark were some of the holdings in the consumer discretionary sector, specifically the China-focused gaming and media subsectors. In China, a severe anti-corruption campaign and its effects led to significant declines in gaming revenues and negatively affected gaming stocks, including our exposure to Galaxy Entertainment Group. We reduced the weighting to the gaming sector throughout the fiscal year on the basis of limited medium-term visibility, given the government's attitude toward the casino operators.

We continue to seek investment opportunities that we believe will benefit from the growing number of emerging market consumers with rising incomes and an affinity for global consumer brands and content, but think the prospects are not as numerous as has been the case in recent years.

Other detractors from performance compared to the benchmark index included the higher cash allocation in a rising equity market; exposure to the health care and consumer staples sectors as well as media-related companies in the consumer discretionary sector; and the Fund's investment in gold. Although the level of cash in the Fund was lower in the second half of the fiscal year than the first half, we still believed holding some cash in more volatile markets provides opportunities to benefit from what we consider to be mispricing of assets in market corrections.

Gold has been a long-term holding in the Fund, although we trimmed our position during the final quarter of the fiscal year. Global bond investors remained desperate for yield throughout the fiscal year, forcing them further into risk-taking strategies. This signaled to us that inflation expectations remained well-contained and fears of negative yields were virtually nonexistent. At this point, we think the best case for gold would be renewed weakness in the U.S. economy, which is not in our forecast.

Energy and telecommunications sectors both contributed to performance for the year relative to the benchmark index, although both sectors were underweight in the Fund during the year.

The derivatives usage throughout the year was relatively low and generally deployed to opportunistically increase exposure to equities through options, total return swaps and index futures and to hedge foreign currency risk using forward contracts. The contribution to performance from derivatives was virtually flat.

Potential for improving growth, although risks remain

We believe U.S. growth in real terms could accelerate in the year ahead. The breadth of the U.S. economic recovery is demonstrated, in part, by the slow, steady improvement in the labor market. We think job growth and the potential for higher real wages indicate the U.S. consumer is better positioned going into the next fiscal year than at any other point during the current economic cycle. In our view, rising wages would be especially beneficial for individuals in the lower-income segments of the economy who largely have not benefitted from previous stimulus measures. We think lower energy prices have provided an additional boon to consumers in the U.S. and globally, especially in India and China. Consumer sentiment has broadly improved. However, business sentiment, particularly in the last quarter of the fiscal year, has been tempered by the effects of the strengthening dollar and declining oil prices.

We believe the U.S. economy remains the most attractive globally. In our view, the prospect for rising domestic consumption, combined with reasonable valuations and a lack of favorable alternatives, make U.S.-exposed stocks our preferred asset class in 2015. We continue to actively look for global companies that can capitalize on these expectations.

We increasingly are seeking investment opportunities in companies developing technology focused on helping companies maintain or improve efficiency or increase productivity, and on helping individuals communicate, transact or share information more effectively. In general, we also believe there is significant growth potential in e-commerce in China and India.

The Fund's equity holdings represent companies we believe have relatively unlevered balance sheets, are growing fast enough to generate free cash flow and increase dividends or share buybacks, and have a business model that can generate increasing returns. These companies fit our theme focused on the rising prosperity of a growing global middle class with greater discretionary income, and we thus remain optimistic about consumer-related sectors and industries. We continue to focus on brands that may be relevant in the U.S. and in other parts of the world.

Despite our high allocation to equities, which was about 80% of the Fund's assets at the end of the fiscal year, we have concerns about market stability. We remain troubled by the large allocation to fixed income by many investors in an environment that is approaching seven years with interest rates near zero. Uncertainty about what may follow and the potential implications of investors pursuing yield via complicated and riskier credit securities raise concerns for us about the time when interest rates eventually rise, although at fiscal year-end the timing of those rate hikes seemed to be farther in the future. Looking ahead, we think the unintended consequences associated with global central bank policies are a primary risk for the markets.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

The Fund may allocate from 0 to 100% of its assets between stocks, bonds and short-term instruments of issuers around the globe and in investments with exposure to various foreign countries. The Fund may also invest in precious metals.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. The value of the Fund's investments, as measured in U.S. dollars, may be unfavorably affected by changes in foreign currency exchange rates and exchange control regulations.

Fixed-income securities are subject to interest-rate risk and, as such, the net asset value of the Fund may fall as interest rates rise. Investing in high-income securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds.

The Fund may focus its investments in certain regions or industries, thereby increasing its potential vulnerability to market volatility.

The Fund may seek to hedge market risk on various securities, manage and/or increase exposure to certain securities, companies, sectors, markets, foreign currencies and/or precious metals and seek to hedge certain event risks on positions held by the Fund via the use of derivative instruments. Such investments involve additional risks, as the fluctuations in the values of the derivatives may not correlate perfectly with the overall securities markets or with the underlying asset from which the derivative's value is derived.

Investing in commodities is generally considered speculative because of the significant potential for investment loss due to cyclical economic conditions, sudden political events, and adverse international monetary policies. Markets for commodities are likely to be volatile and the Fund may pay more to store and accurately value its commodity holdings than it does with the Fund's other holdings.

These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The indexes noted are unmanaged, include reinvested dividends and do not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Asset Strategy Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Asset Strategy Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	79.3%
Information Technology	21.8%
Consumer Discretionary	17.0%
Health Care	8.3%
Consumer Staples	8.2%
Energy	7.8%
Financials	7.2%
Industrials	7.1%
Materials	1.9%
Bullion (Gold)	6.7%
Purchased Options	0.1%
Bonds	4.6%
Corporate Debt Securities	4.6%
United States Government and Government Agency Obligations	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	9.3%

Country Weightings

North America	58.5%
United States	58.5%
Pacific Basin	14.5%
China	3.7%
Hong Kong	3.6%
Other Pacific Basin	7.2%
Europe	10.9%
United Kingdom	7.2%
Other Europe	3.7%
Bullion (Gold)	6.7%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Purchased Options	9.4%

Lipper Rankings

Category: Lipper Alternative Global Macro Funds	Rank	Percentile
1 Year	220/306	72
3 Year	20/198	11
5 Year	14/118	12
10 Year	4/40	10

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
AIA Group Ltd.	Hong Kong	Financials	Life & Health Insurance
Galaxy Entertainment Group	Macau	Consumer Discretionary	Casinos & Gaming
Apple, Inc.	United States	Information Technology	Technology Hardware, Storage & Peripherals
Phillips 66	United States	Energy	Oil & Gas Refining & Marketing
Actavis plc	United States	Health Care	Pharmaceuticals
Cognizant Technology Solutions Corp., Class A	United States	Information Technology	IT Consulting & Other Services
Microsoft Corp.	United States	Information Technology	Systems Software
Citigroup, Inc.	United States	Financials	Other Diversified Financial Services
Tencent Holdings Ltd.	China	Information Technology	Internet Software & Services
Delta Topco Ltd.	United Kingdom	Consumer Discretionary	Movies & Entertainment

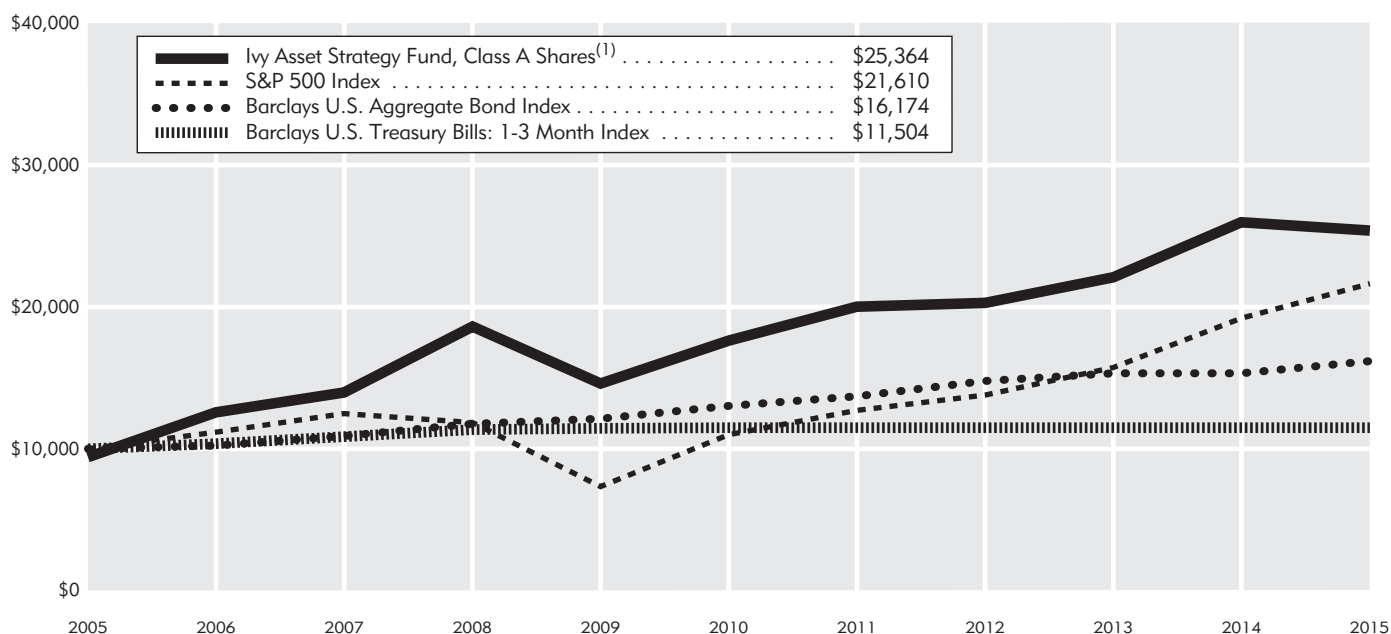
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Asset Strategy Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-7.90%	-6.25%	-2.99%	-7.90%	-2.06%	-2.67%	—	-2.31%
5-year period ended 3-31-15	6.32%	6.61%	6.80%	6.29%	7.83%	7.20%	—	7.58%
10-year period ended 3-31-15	9.75%	9.69%	9.59%	—	—	—	—	10.41%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	6.83%	8.00%	4.59%	-1.67%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 7-31-08 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel Retail – 1.1%		
Limited Brands, Inc.	3,064	\$ 288,917
Auto Parts & Equipment – 2.1%		
Continental AG (A)	1,375	325,729
Delphi Automotive plc ...	2,477	197,548
		<u>523,277</u>
Automobile Manufacturers – 1.7%		
Toyota Motor Corp. (A)	6,295	439,990
Broadcasting – 1.2%		
CBS Corp., Class B	5,018	304,216
Casinos & Gaming – 2.9%		
Galaxy Entertainment Group (A)	158,354	721,030
Home Improvement Retail – 1.6%		
Home Depot, Inc. (The)(B)	3,507	398,396
Leisure Products – 2.8%		
Media Group Holdings LLC, Series H (C)(D)(E)(F) ..	640	324,734
Media Group Holdings LLC, Series I (C)(D)(E)(F) ...	381	182,740
Media Group Holdings LLC, Series T (C)(D)(E)(F) ..	80	201,095
		<u>708,569</u>
Movies & Entertainment – 3.6%		
Delta Topco Ltd. (C)	718,555	450,703
Legend Pictures LLC (C)(D)(E)(F)	190	310,630
Twenty-First Century Fox, Inc., Class A	4,312	145,911
		<u>907,244</u>
Total Consumer Discretionary – 17.0%		4,291,639
Consumer Staples		
Brewers – 3.1%		
InBev N.V. (A)	2,954	361,423
SABMiller plc (A)	8,130	426,903
		<u>788,326</u>
Hypermarkets & Super Centers – 1.8%		
Wal-Mart Stores, Inc.	5,390	443,308
Packaged Foods & Meats – 3.3%		
Mead Johnson Nutrition Co.	3,301	331,809
Mondelez International, Inc., Class A	3,683	132,923

COMMON STOCKS (Continued)	Shares	Value
Packaged Foods & Meats (Continued)		
Unilever N.V., Certicaaten Van Aandelen (A)	8,853	\$ 370,434
		<u>835,166</u>
Total Consumer Staples – 8.2%		2,066,800
Energy		
Integrated Oil & Gas – 2.1%		
Chevron Corp.	2,051	215,293
Occidental Petroleum Corp. (H)	4,432	323,544
		<u>538,837</u>
Oil & Gas Equipment & Services – 0.1%		
Schlumberger Ltd.	384	32,041
Oil & Gas Exploration & Production – 2.0%		
ConocoPhillips	7,032	437,825
Noble Energy, Inc.	1,101	53,829
		<u>491,654</u>
Oil & Gas Refining & Marketing – 2.0%		
Phillips 66	6,340	498,363
Oil & Gas Storage & Transportation – 1.6%		
Plains GP Holdings L.P., Class A	13,699	388,629
Total Energy – 7.8%		1,949,524
Financials		
Diversified Banks – 1.7%		
Standard Chartered plc (A)	8,788	142,556
Wells Fargo & Co. (H) ..	5,409	294,266
		<u>436,822</u>
Life & Health Insurance – 3.6%		
AIA Group Ltd. (A)	144,259	908,053
Other Diversified Financial Services – 1.8%		
Citigroup, Inc.	8,795	453,108
Total Financials – 7.1%		1,797,983
Health Care		
Biotechnology – 4.1%		
Amgen, Inc.	2,361	377,406
Biogen, Inc. (B)(D)	906	382,634
Gilead Sciences, Inc. (D)	2,839	278,591
		<u>1,038,631</u>
Managed Health Care – 1.0%		
Humana, Inc.	1,404	249,851
Pharmaceuticals – 3.2%		
Actavis plc (D)	1,644	489,222
Bristol-Myers Squibb Co.	3,044	196,331

COMMON STOCKS (Continued)	Shares	Value
Pharmaceuticals (Continued)		
Roche Holdings AG, Genusscheine (A)	432	\$ 119,125
		<u>804,678</u>
Total Health Care – 8.3%		2,093,160
Industrials		
Aerospace & Defense – 2.5%		
Boeing Co. (The)(H)	2,163	324,593
Precision Castparts Corp.	1,420	298,221
		<u>622,814</u>
Construction & Engineering – 0.3%		
Larsen & Toubro Ltd. (A)	2,498	68,634
Construction Machinery & Heavy Trucks – 1.5%		
Caterpillar, Inc. (B)	4,685	374,933
Industrial Machinery – 1.4%		
FANUC Ltd. (A)	1,643	359,513
Railroads – 1.4%		
Union Pacific Corp.	3,325	360,098
Total Industrials – 7.1%		1,785,992
Information Technology		
Application Software – 3.0%		
Adobe Systems, Inc. (D)(H)	4,902	362,424
Intuit, Inc. (G)	4,140	401,396
		<u>763,820</u>
Data Processing & Outsourced Services – 2.2%		
Alliance Data Systems Corp. (B)(D)	998	295,657
Visa, Inc., Class A	4,167	272,577
		<u>568,234</u>
Internet Software & Services – 4.2%		
Alibaba Group Holding Ltd. ADR (D)	1,184	98,544
Baidu.com, Inc. ADR (D)	1,840	383,393
Google, Inc., Class A (D)	226	125,418
Tencent Holdings Ltd. (A)	23,847	452,786
		<u>1,060,141</u>
IT Consulting & Other Services – 1.9%		
Cognizant Technology Solutions Corp., Class A (D)(G)	7,716	481,381
Semiconductor Equipment – 2.1%		
Applied Materials, Inc. (H)	18,804	424,225

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Semiconductor Equipment (Continued)		
ASML Holding N.V., NY Registry Shares	945	\$ 95,453
		<u>519,678</u>
Semiconductors – 3.9%		
Intel Corp. (H)	9,039	282,649
Micron Technology, Inc. (D)	5,046	136,887
Taiwan Semiconductor Manufacturing Co. Ltd. (A)	47,056	218,813
Texas Instruments, Inc. (H)	6,056	346,295
		<u>984,644</u>
Systems Software – 1.9%		
Microsoft Corp.	11,555	469,763
Technology Hardware, Storage & Peripherals – 2.6%		
Apple, Inc. (G)	5,181	644,709
		<u>5,492,370</u>
Total Information Technology – 21.8%		
Materials		
Diversified Chemicals – 1.0%		
Dow Chemical Co. (The) (H)	5,228	250,825
Specialty Chemicals – 0.9%		
LyondellBasell Industries N.V., Class A	2,668	234,215
		<u>485,040</u>
Total Materials – 1.9%		
TOTAL COMMON STOCKS – 79.2%		
		\$19,962,508
(Cost: \$17,649,105)		
PREFERRED STOCKS		
Financials		
Reinsurance – 0.1%		
WMI Holdings Corp., Class B, 3.000%	31	32,527
		<u>32,527</u>
Total Financials – 0.1%		
TOTAL PREFERRED STOCKS – 0.1%		
		\$ 32,527
(Cost: \$31,000)		

PURCHASED OPTIONS	Number of Contracts (Unrounded)	Value
Apache Corp.: Call \$67.50, Expires 4–17–15, OTC (Ctrpty: UBS AG)	4,579	\$ 28
Call \$70.00, Expires 7–17–15, OTC (Ctrpty: UBS AG)	4,579	492
Dow Chemical Co. (The), Call \$52.50, Expires 6–19–15, OTC (Ctrpty: Deutsche Bank AG)	15,963	710
EOG Resources, Inc.: Call \$97.50, Expires 4–17–15, OTC (Ctrpty: Morgan Stanley & Co., Inc.)	3,816	107
Call \$100.00, Expires 7–17–15, OTC (Ctrpty: Morgan Stanley & Co., Inc.)	3,816	904
EURO STOXX Banks Index: Call EUR155.00, Expires 4–17–15, OTC (Ctrpty: Barclays Bank plc) (I)	15,287	3,805
Call EUR160.00, Expires 5–15–15, OTC (Ctrpty: Barclays Bank plc) (I)	15,287	3,370
Exxon Mobil Corp., Call \$95.00, Expires 4–17–15, OTC (Ctrpty: Deutsche Bank AG)	7,686	15
Google, Inc., Class A: Call \$625.00, Expires 6–19–15	4,365	1,375
Call \$625.00, Expires 6–19–15, OTC (Ctrpty: Bank of America N.A.)	257	81
Call \$700.00, Expires 9–18–15, OTC (Ctrpty: Deutsche Bank AG)	6,060	1,212
Halliburton Co.: Call \$42.50, Expires 4–17–15, OTC (Ctrpty: Deutsche Bank AG)	15,262	2,816
Call \$50.00, Expires 7–17–15, OTC (Ctrpty: Deutsche Bank AG)	30,524	1,877

PURCHASED OPTIONS (Continued)

	Number of Contracts (Unrounded)	Value
Micron Technology, Inc.: Call \$28.00, Expires 4–17–15, OTC (Ctrpty: UBS AG)	2,513	\$ 202
Call \$31.00, Expires 10–16–15, OTC (Ctrpty: UBS AG)	2,513	376
Microsoft Corp.: Call \$45.00, Expires 7–17–15, OTC (Ctrpty: Bank of America N.A.)	25,935	921
Call \$50.00, Expires 1–15–16, OTC (Ctrpty: Bank of America N.A.)	64,837	2,788
Noble Energy, Inc.: Call \$52.50, Expires 5–15–15, OTC (Ctrpty: Bank of America N.A.)	5,724	487
Call \$57.50, Expires 8–21–15, OTC (Ctrpty: Bank of America N.A.)	5,724	601
Schlumberger Ltd.: Call \$90.00, Expires 5–15–15, OTC (Ctrpty: Societe Generale Bank)	4,800	262
Call \$95.00, Expires 5–15–15, OTC (Ctrpty: Societe Generale Bank)	5,760	63
TOTAL PURCHASED OPTIONS – 0.1%		\$ 22,492
(Cost: \$37,647)		
CORPORATE DEBT SECURITIES		Principal
Consumer Discretionary		
Automobile Manufacturers – 0.6%		
Aston Martin Holdings Ltd., 10.250%, 7–15–18 (J)(K)	\$141,680	139,892
Movies & Entertainment – 4.0%		
Delta Topco Ltd., 10.000%, 11–24–60 (C)(J)	662,848	662,848

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Movies & Entertainment (Continued)		
Legendary Pictures		
Funding LLC and		
Legendary Finance,		
Inc.,		
8.000%, 3-15-18 (F)	\$351,700	\$ 351,278
		<u>1,014,126</u>
Total Consumer		
Discretionary – 4.6%		1,154,018

TOTAL CORPORATE DEBT SECURITIES – 4.6%

\$1,154,018

(Cost: \$1,162,436)

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

Mortgage-Backed Obligations – 0.0%

Federal Home Loan		
Mortgage Corp.		
Agency REMIC/		
CMO:		
5.000%, 5-15-18 (L)	322	18
5.500%, 3-15-23 (L)	285	24
5.500%, 10-15-25 (L)	588	82
5.500%, 1-15-33 (L)	265	49
5.500%, 5-15-33 (L)	458	86
6.000%, 11-15-35 (L)	467	94
Federal National		
Mortgage Association		
Agency REMIC/CMO:		
5.500%, 6-25-23 (L)	450	58
5.500%, 8-25-33 (L)	924	155
5.500%, 12-25-33 (L)	378	15
5.500%, 4-25-34 (L)	948	157
5.500%, 8-25-35 (L)	1,020	190
5.500%, 11-25-36 (L)	1,731	309
Government National		
Mortgage Association		
Agency REMIC/CMO:		
5.500%, 3-20-32 (L)	171	4
7.000%, 5-20-33 (L)	1,923	535
5.000%, 7-20-33 (L)	3	—*
5.500%, 11-20-33 (L)	37	1
5.500%, 7-20-35 (L)	579	130
		<u>1,907</u>

TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 0.0%

\$ 1,907

(Cost: \$4,015)

	Troy Ounces	
BULLION – 6.7%		
Gold	1,428	1,691,719

(Cost: \$1,809,619)

SHORT-TERM SECURITIES

	Principal	Value
Certificate Of Deposit – 0.8%		
Banco del Estado de Chile:		
0.210%, 4-6-15	\$12,000	\$ 12,000
0.200%, 4-10-15	25,000	25,000
0.200%, 4-15-15	15,000	15,000
0.200%, 4-20-15	25,000	25,000
0.200%, 4-28-15	21,000	21,000
0.210%, 5-1-15	25,000	25,000
0.210%, 6-22-15	18,400	18,399
Bank of America N.A.:		
0.210%, 4-15-15	4,250	4,250
0.200%, 6-10-15	25,000	25,000
Citibank N.A.,		
0.180%, 6-15-15	23,000	22,999
		<u>193,648</u>

Commercial Paper (M) – 6.0%

Anheuser-Busch InBev		
Worldwide, Inc. (GTD by		
AB INBEV/BBR/COB),		
0.110%, 5-7-15	40,000	39,995
Bank of Montreal,		
0.180%, 5-13-15	46,000	45,990
Baxter International, Inc.:		
0.480%, 4-9-15	40,000	39,994
0.610%, 4-14-15	30,000	29,993
0.630%, 4-17-15	20,000	19,994
Bemis Co., Inc.:		
0.450%, 4-6-15	16,750	16,749
0.510%, 4-22-15	10,000	9,997
Campbell Soup Co.:		
0.400%, 4-13-15	3,842	3,841
0.470%, 4-22-15	10,000	9,997
0.450%, 5-12-15	4,100	4,098
0.450%, 5-14-15	8,000	7,996
Clorox Co. (The):		
0.450%, 4-7-15	12,500	12,499
0.420%, 4-13-15	5,000	4,999
Credit Suisse Group,		
New York Branch:		
0.180%, 5-1-15	50,000	49,992
0.180%, 5-5-15	50,000	49,991
CVS Caremark Corp.:		
0.450%, 4-10-15	7,000	6,999
0.470%, 4-27-15	35,000	34,988
Danaher Corp.,		
0.080%, 4-10-15	50,000	49,998
Diageo Capital plc (GTD by		
Diageo plc):		
0.470%, 4-6-15	34,800	34,797
0.560%, 4-8-15	4,877	4,876
0.600%, 4-9-15	18,300	18,297
Ecolab, Inc.,		
0.460%, 4-8-15	6,000	5,999
Essilor International S.A.:		
0.140%, 4-17-15	15,000	14,999
0.160%, 5-7-15	15,000	14,997
0.160%, 5-12-15	12,200	12,198
Federal Home Loan Bank:		
0.040%, 5-26-15	9,000	8,999
0.060%, 6-5-15	1,710	1,710
General Mills, Inc.:		
0.470%, 4-7-15	5,600	5,600
0.520%, 4-21-15	8,000	7,998
0.450%, 4-22-15	10,000	9,997
0.500%, 5-4-15	25,000	24,988

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Commercial Paper (M) (Continued)		
Harley-Davidson Financial		
Services (GTD by Harley-		
Davidson Credit Corp.),		
0.320%, 4-7-15	\$10,000	\$ 9,999
J.M. Smucker Co. (The),		
0.280%, 4-1-15	45,839	45,838
John Deere Financial Ltd.		
(GTD by John Deere		
Capital Corp.):		
0.170%, 4-9-15	22,000	21,999
0.130%, 5-7-15	15,200	15,198
Kellogg Co.:		
0.430%, 4-1-15	15,000	15,000
0.430%, 4-2-15	25,000	24,999
0.520%, 4-22-15	15,000	14,995
Kroger Co. (The):		
0.500%, 4-6-15	15,000	14,999
0.310%, 4-7-15	16,000	15,999
McCormick & Co., Inc.,		
0.200%, 4-1-15	15,000	15,000
Mondelez International, Inc.:		
0.400%, 4-2-15	4,000	4,000
0.520%, 4-22-15	25,000	24,992
0.520%, 4-27-15	17,500	17,493
Muni Elec Auth GA, Gen		
Resolution Proj Bond		
Anticipation Notes, Ser A		
(Taxable), (GTD by Wells		
Fargo Bank N.A.),		
0.150%, 4-27-15	20,000	20,000
National Oilwell Varco, Inc.:		
0.150%, 4-8-15	20,000	19,999
0.130%, 4-15-15	20,000	19,999
0.170%, 5-6-15	23,000	22,996
0.160%, 5-13-15	16,000	15,997
NBCUniversal Enterprise,		
Inc.:		
0.420%, 4-1-15	33,611	33,611
0.500%, 4-9-15	10,000	9,999
Northern Illinois Gas Co.:		
0.300%, 4-2-15	5,000	5,000
0.370%, 4-8-15	50,000	49,996
0.380%, 4-14-15	20,000	19,997
PacifiCorp:		
0.460%, 4-9-15	10,000	9,999
0.550%, 4-10-15	20,000	19,997
0.600%, 4-14-15	30,000	29,993
San Francisco, CA Pub Util		
Comsn, Water Rev		
Commercial Paper, Ser A-		
1-T (Taxable), (GTD by		
Royal Bank of Canada),		
0.130%, 4-21-15	28,000	28,000
Sherwin-Williams Co. (The):		
0.210%, 4-2-15	17,000	17,000
0.310%, 4-14-15	3,900	3,900
0.310%, 4-16-15	38,000	37,995
0.300%, 4-27-15	10,000	9,998
St. Jude Medical, Inc.:		
0.320%, 4-2-15	48,000	47,999
0.330%, 4-7-15	15,000	14,999
0.230%, 4-16-15	15,000	14,998
0.250%, 5-19-15	2,300	2,299
0.260%, 6-5-15	2,887	2,886

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund (in thousands)

MARCH 31, 2015

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Commercial Paper (M) (Continued)		
United Technologies Corp., 0.100%, 4-22-15	\$ 1,426	\$ 1,426
Virginia Electric and Power Co.: 0.380%, 4-2-15	10,000	10,000
0.390%, 4-7-15	13,888	13,887
0.480%, 4-21-15	35,000	34,990
0.490%, 4-28-15	23,000	22,991
Walgreens Boots Alliance, Inc.: 0.470%, 4-6-15	30,000	29,997
0.500%, 4-10-15	8,890	8,889
0.500%, 4-14-15	10,000	9,998
0.550%, 4-17-15	25,000	24,994
Wisconsin Electric Power Co.: 0.320%, 4-6-15	10,000	10,000
0.370%, 4-7-15	10,000	10,000
0.370%, 4-9-15	25,000	24,999
0.170%, 4-10-15	8,000	8,000
Wisconsin Gas LLC, 0.130%, 4-8-15	3,000	3,000
	<u>1,514,904</u>	

Master Note – 0.0%

Toyota Motor Credit Corp., 0.130%, 4-1-15 (N) . .	3,470	3,470
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Municipal Obligations – 2.2%

CA GO Bonds, Ser 2004B6 (GTD by U.S. Bank N.A.), 0.010%, 4-7-15 (N) . .	30,000	30,000
CA GO Bonds, Ser 2005A3 (GTD by Bank of America N.A.), 0.020%, 4-7-15 (N) . .	5,000	5,000
CA Hlth Fac Fin Auth, Var Rate Hosp Rev Bonds (Adventist Hlth Sys/West), Ser 1998B (GTD by Bank of America N.A.), 0.010%, 4-1-15 (N) . .	18,400	18,400
CA Muni Fin Auth, Recovery Zone Fac Bonds (Chevron USA, Inc. Proj), Ser 2010C (GTD by Chevron Corp.), 0.010%, 4-1-15 (N) . .	12,386	12,386
CA Pollutn Ctl Fin Auth, Pollutn Ctl Rfdg Rev Bonds (Pacific Gas and Elec Co.), Ser C (GTD by JPMorgan Chase Bank N.A.), 0.020%, 4-1-15 (N) . .	24,701	24,701

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Municipal Obligations (Continued)		
CA Statewide Cmnty Dev Auth, Multifam Hsng Rev Bonds (Wyndover Apts), Ser 2004 LL (GTD by U.S. Government), 0.030%, 4-7-15 (N)	\$ 1,443	\$ 1,443
City of Chicago, GO Var Rate Demand Bonds, Ser 2003B-1 (GTD by JPMorgan Chase & Co.), 0.020%, 4-7-15 (N)	4,600	4,600
City of Whittier, Hlth Fac Rev Bonds (Presbyterian Intercmnty Hosp), Ser 2009 (GTD by U.S. Bank N.A.), 0.010%, 4-7-15 (N)	26,375	26,375
Columbus Rgnl Arpt Auth, Cap Funding Rev Bonds (OASBO Expanded Asset Pooled Fin Prog), Sr Ser 2005 (GTD by U.S. Bank N.A.), 0.030%, 4-7-15 (N)	7,100	7,100
Dev Auth of Monroe Cty, Pollutn Ctl Rev Bonds (GA Power Co. Plant Scherer Proj), First Ser 2008 (GTD by Georgia Power Co.), 0.030%, 4-1-15 (N)	1,465	1,465
Fremont (Alameda Cnty, CA), Fremont Public Fin Auth (GTD by U.S. Bank N.A.), 0.010%, 4-7-15 (N)	9,200	9,200
Greenville Hosp Sys Board of Trustees, Hosp Rfdg Rev Bonds, Ser 2008B (GTD by U.S. Bank N.A.), 0.020%, 4-7-15 (N)	6,000	6,000
Harris Cnty Hosp Dist, Sr Lien Rfdg Rev Bonds, Ser 2010 (GTD by JPMorgan Chase & Co.), 0.020%, 4-7-15 (N)	31,600	31,600
Hosp Fac Auth of Clackamas Cnty, OR, Rev Bonds (Legacy Hlth Sys), Ser 2008B (GTD by U.S. Bank N.A.), 0.020%, 4-7-15 (N)	1,905	1,905
IL Fin Auth, Adj Rate Demand Rev Bonds (Chicago Symphony Orchestra), Ser 2008 (GTD by U.S. Bank N.A.), 0.020%, 4-7-15 (N)	24,965	24,965
IL Fin Auth, Var Rate Demand Rev Bonds (The Carle Fndtn), Ser 2009 (GTD by JPMorgan Chase Bank N.A.), 0.020%, 4-7-15 (N)	855	855

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Municipal Obligations (Continued)		
IL Fin Auth, Var Rate Demand Rev Bonds (The Univ of Chicago Med Ctr), Ser D (GTD by JPMorgan Chase & Co.), 0.020%, 4-1-15 (N)	\$ 9,000	\$ 9,000
Irvine Unif Sch Dist, Cmnty Fac Dist No. 09-1, Adj Rate Spl Tax Bonds, Ser 2012A (GTD by U.S. Bank N.A.), 0.010%, 4-1-15 (N)	28,600	28,600
Irvine Unif Sch Dist, Cmnty Fac Dist No. 09-1, Adj Rate Spl Tax Bonds, Ser 2014C-C (GTD by U.S. Bank N.A.), 0.010%, 4-1-15 (N)	10,000	10,000
LA Pub Fac Auth, Var Rate Rev Rfdg Bonds (CHRISTUS Hlth), Ser 2009B-1 (GTD by Bank of New York (The)), 0.010%, 4-7-15 (N)	6,605	6,605
MA Hlth and Edu Fac Auth, Var Rate Rev Bonds, Dana-Farber Cancer Institute Issue, Ser 2008L-1 (GTD by JPMorgan Chase Bank N.A.), 0.010%, 4-7-15 (N)	14,600	14,600
MI Strategic Fund, Var Rate Demand Ltd. Oblig Rev Bonds (Air Products and Chemicals, Inc. Proj), Ser 2007 (GTD by Bank of New York (The)), 0.040%, 4-1-15 (N)	26,077	26,077
MS Business Fin Corp., Gulf Opp Zone Indl Dev Rev Bonds (Chevron USA, Inc. Proj), Ser 2007B (GTD by Chevron Corp.), 0.010%, 4-1-15 (N)	33,923	33,923
MS Business Fin Corp., Gulf Opp Zone Indl Dev Rev Bonds (Chevron USA, Inc. Proj), Ser 2007D (GTD by Chevron Corp.), 0.010%, 4-1-15 (N)	4,000	4,000
MS Business Fin Corp., Gulf Opp Zone Indl Dev Rev Bonds (Chevron USA, Inc. Proj), Ser 2010J (GTD by Chevron Corp.), 0.030%, 4-1-15 (N)	26,838	26,838
MS Business Fin Corp., Gulf Opp Zone Indl Dev Var Rev Bonds (Chevron USA, Inc. Proj), Ser 2007D (GTD by Chevron Corp.), 0.030%, 4-1-15 (N)	1,800	1,800

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund *(in thousands)*

MARCH 31, 2015

SHORT-TERM SECURITIES			SHORT-TERM SECURITIES		
(Continued)	Principal	Value	(Continued)	Principal	Value
Municipal Obligations (Continued)			Municipal Obligations (Continued)		
MS Business Fin Corp., Gulf Opp Zone Indl Dev Var Rev Bonds (Chevron USA, Inc. Proj), Ser E (GTD by Chevron Corp.), 0.030%, 4-1-15 (N)	\$39,894	\$39,894	Tuscaloosa Cnty Indl Dev Auth, Gulf Opp Zone Bonds (Hunt Refining Proj), Ser 2011G (GTD by Bank of Nova Scotia), 0.020%, 4-7-15 (N) \$	6,000	\$ 6,000
NY Hsng Fin Agy, Clinton Park Phase II Hsng Rev Bonds, Ser 2011 A-1 (GTD by Wells Fargo Bank N.A.), 0.020%, 4-7-15 (N)	19,084	19,084	Uinta Cnty, WY, Pollutn Ctl Rfdg Rev Bonds (Chevron USA, Inc. Proj), Ser 1992 (GTD by Chevron Corp.), 0.030%, 4-1-15 (N)	10,267	10,267
NY Hsng Fin Agy, Related West 30th Street Hsng Rev Bonds, Ser 2012 A-1 (GTD by Wells Fargo Bank N.A.), 0.020%, 4-7-15 (N)	12,200	12,200	Univ of CA, Edu Svc Commercial Paper, Ser B, 0.120%, 4-13-15 . .	11,000	11,000
NY Hsng Fin Agy, Riverside Ctr 2 Hsng Rev Bonds, Ser 2012A, 0.020%, 4-7-15 (N)	7,000	7,000	Univ of KS Hosp Auth, Var Rate Demand Hlth Fac Rev Bonds (KU Hlth Sys), Ser 2004, 0.030%, 4-1-15 (N)	5,305	5,305
NY State Hsng Fin Agy, Maestro West Chelsea Hsng Rev Bonds, Ser 2013A, 0.020%, 4-7-15 (N)	10,000	10,000	WI Hlth and Edu Fac Auth, Wheaton Franciscan Svc, Inc., Sys Var Rate Rev Bonds, Ser 2003B (GTD by U.S. Bank N.A.), 0.020%, 4-7-15 (N)	4,500	4,500
NY State Hsng Fin Agy, Maestro West Chelsea Hsng Rev Bonds, Ser 2014A, 0.020%, 4-7-15 (N)	7,250	7,250			553,989
NY State Hsng Fin Agy, Riverside Ctr 2 Hsng Rev Bonds, Ser 2013A-1 (GTD by Bank of America N.A.), 0.020%, 4-7-15 (N)	4,500	4,500	United States Government Agency Obligations - 0.4%		
NY State Hsng Fin Agy, Riverside Ctr 2 Hsng Rev Bonds, Ser 2013A-2 (GTD by Bank of America N.A.), 0.020%, 4-7-15 (N)	18,000	18,000	Overseas Private Investment Corp. (GTD by U.S. Government):		
NYC GO Bonds, Fiscal 2008 Series L-4, 0.010%, 4-1-15 (N)	13,000	13,000	0.110%, 4-1-15 (N) .	62,040	62,040
Santa Clara Cnty Fin Auth, Var Rate Rev Bonds, El Camino Hosp, Ser 2009A (GTD by Wells Fargo Bank N.A.), 0.020%, 4-7-15 (N)	14,751	14,751	0.110%, 4-3-15 (N) .	3,648	3,648
Sheridan Redev Agy CO Tax, Var Rfdg S Santa Fe Dr Corridor Redev PJ, Ser A-1 (GTD by JPMorgan Chase & Co.), 0.050%, 4-7-15 (N)	1,900	1,900	0.110%, 4-7-15 (N) .	24,588	24,588
Stafford County, Staunton Indl Dev Auth (VA) Rev Bonds, Ser 8-A2 (GTD by Bank of America N.A.), 0.130%, 4-9-15	1,900	1,900			90,276
			TOTAL SHORT-TERM SECURITIES - 9.4%		
			\$ 2,356,287		
			(Cost: \$2,356,278)		
			TOTAL INVESTMENT SECURITIES - 100.1%		
			\$25,221,458		
			(Cost: \$23,050,100)		
			LIABILITIES, NET OF CASH AND OTHER ASSETS - (0.1)%		
			(20,749)		
			NET ASSETS - 100.0%		
			\$25,200,709		

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund *(in thousands)*

MARCH 31, 2015

Notes to Consolidated Schedule of Investments

*Not shown due to rounding.

(A) Listed on an exchange outside the United States.

(B) All or a portion of securities with an aggregate value of \$52,935 have been pledged as collateral on open futures contracts.

(C) Restricted securities. At March 31, 2015, the Fund owned the following restricted securities:

Security	Acquisition Date(s)	Shares	Cost	Market Value
Delta Topco Ltd.	1-23-12 to 6-15-12	718,555	\$ 371,092	\$ 450,703
Legend Pictures LLC	12-18-12	190	352,760	310,630
Media Group Holdings LLC, Series H	8-29-13 to 10-31-13	640	448,211	324,734
Media Group Holdings LLC, Series I	4-23-13 to 11-8-13	381	209,901	182,740
Media Group Holdings LLC, Series T	7-2-13 to 1-23-15	80	172,543	201,095
		Principal		
Delta Topco Ltd., 10.000%, 11-24-60	4-1-12 to 1-1-15	\$662,848	669,057	662,848
			<u>\$2,223,564</u>	<u>\$2,132,750</u>

The total value of these securities represented 8.5% of net assets at March 31, 2015.

(D) No dividends were paid during the preceding 12 months.

(E) Investment is owned by an entity that is treated as a corporation for U.S. tax purposes and is owned by the Fund and consolidated as described in Note 6 of the Notes to Financial Statements.

(F) Deemed to be an affiliate due to the Fund owning at least 5% of the voting securities.

(G) All or a portion of securities with an aggregate value of \$766,912 are held in collateralized accounts to cover potential obligations with respect to outstanding written options.

(H) All or a portion of securities with an aggregate value of \$17,058 are held in collateralized accounts for OTC derivatives collateral as governed by International Swaps and Derivatives Association, Inc. Master Agreements.

(I) Principal amount and exercise prices are denominated in the indicated foreign currency, where applicable (EUR—Euro).

(J) Payment-in-kind bonds.

(K) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$139,892 or 0.6% of net assets.

(L) Interest-only security. Amount shown as principal represents notional amount for computation of interest.

(M) Rate shown is the yield to maturity at March 31, 2015.

(N) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
Euro	1,005,299	U.S. Dollar	1,080,999	4-13-15	Deutsche Bank AG	\$—	\$ 110
Japanese Yen	97,280,578	U.S. Dollar	803,178	4-13-15	Morgan Stanley International	—	8,076
						<u>\$—</u>	<u>\$8,186</u>

The following futures contracts were outstanding at March 31, 2015 (contracts unrounded):

Description	Type	Expiration Date	Number of Contracts	Value	Unrealized Appreciation
German Stock Index	Long	6-19-15	1,712	\$552,729	\$4,323

The following written options were outstanding at March 31, 2015 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
Apache Corp.	UBS AG	Put	4,579	April 2015	\$57.50	\$ 887	\$ (254)
	UBS AG	Call	4,579	April 2015	77.50	186	(7)
	UBS AG	Put	4,579	July 2015	57.50	1,578	(1,394)
	UBS AG	Call	4,579	July 2015	90.00	130	(16)
Dow Chemical Co. (The)	Deutsche Bank AG	Put	10,642	June 2015	44.00	1,681	(772)

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund *(in thousands)*

MARCH 31, 2015

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
EOG Resources, Inc.	Morgan Stanley & Co., Inc.	Put	3,816	April 2015	\$ 85.00	\$ 1,179	\$ (134)
	Morgan Stanley & Co., Inc.	Call	3,816	April 2015	110.00	286	(10)
	Morgan Stanley & Co., Inc.	Put	3,816	July 2015	82.50	1,731	(965)
	Morgan Stanley & Co., Inc.	Call	3,816	July 2015	120.00	355	(44)
EURO STOXX Banks Index	Barclays Bank plc	Call	15,287	April 2015	EUR 162.50	414	(962)
Exxon Mobil Corp.	Deutsche Bank AG	Put	7,686	April 2015	\$ 75.00	1,322	(23)
Google, Inc., Class A	Deutsche Bank AG	Put	2,651	September 2015	500.00	2,704	(3,367)
Halliburton Co.	Deutsche Bank AG	Put	15,262	April 2015	37.50	1,572	(53)
	Deutsche Bank AG	Call	22,893	April 2015	47.50	1,190	(137)
	Deutsche Bank AG	Call	7,631	April 2015	50.00	183	(11)
	Deutsche Bank AG	Put	15,262	July 2015	37.50	3,129	(1,023)
Micron Technology, Inc.	UBS AG	Put	2,513	April 2015	25.50	141	(138)
	UBS AG	Call	2,513	April 2015	31.00	30	(34)
	UBS AG	Put	2,513	October 2015	24.00	388	(384)
Microsoft Corp.	Bank of America N.A.	Put	25,935	July 2015	37.00	2,775	(1,815)
	Bank of America N.A.	Put	25,935	January 2016	37.00	5,680	(4,889)
Noble Energy, Inc.	Bank of America N.A.	Put	3,816	May 2015	42.50	769	(191)
	Bank of America N.A.	Call	5,724	May 2015	60.00	251	(29)
	Bank of America N.A.	Put	3,816	August 2015	40.00	941	(448)
Schlumberger Ltd.	Societe Generale Bank	Put	3,840	May 2015	70.00	1,344	(71)
	Societe Generale Bank	Put	3,840	May 2015	80.00	718	(555)
	Societe Generale Bank	Call	10,560	May 2015	105.00	683	(21)
						<u>\$32,247</u>	<u>\$(17,747)</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks			
Consumer Discretionary	\$ 2,821,737	\$ —	\$1,469,902
Consumer Staples	2,066,800	—	—
Energy	1,949,524	—	—
Financials	1,797,983	—	—
Health Care	2,093,160	—	—
Industrials	1,785,992	—	—
Information Technology	5,492,370	—	—
Materials	485,040	—	—
Total Common Stocks	<u>\$18,492,606</u>	<u>\$ —</u>	<u>\$1,469,902</u>
Preferred Stocks	—	32,527	—
Purchased Options	1,375	21,117	—
Corporate Debt Securities	—	491,170	662,848
United States Government Agency Obligations	—	1,907	—
Bullion	1,691,719	—	—
Short-Term Securities	—	2,356,287	—
Total	<u>\$20,185,700</u>	<u>\$2,903,008</u>	<u>\$2,132,750</u>
Futures Contracts	<u>\$ 4,323</u>	<u>\$ —</u>	<u>\$ —</u>
Liabilities			
Forward Foreign Currency Contracts	\$ —	\$ 8,186	\$ —
Written Options	\$ —	\$ 17,747	\$ —

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Asset Strategy Fund *(in thousands)*

MARCH 31, 2015

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Common Stocks	Corporate Debt Securities	Loans
Beginning Balance 4-1-14	\$2,025,812	\$ 954,289	\$ 194,757
Net realized gain (loss)	—	—	2,095
Net change in unrealized appreciation (depreciation)	(452,686)	(—)*	(9,485)
Purchases	12,038	60,259	—
Sales	(115,262)	—	(187,464)
Amortization/Accretion of premium/discount	—	—	97
Transfers into Level 3 during the period	—	—	—
Transfers out of Level 3 during the period	—	(351,700)	—
Ending Balance 3-31-15	\$1,469,902	\$ 662,848	\$ —
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 3-31-15	\$ (452,686)	\$ (—)*	\$ —

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. As shown above, transfers in and out of Level 3 represent the values as of the beginning of the reporting period. During the period ended March 31, 2015, there were no transfers between Levels 1 and 2.

Information about Level 3 fair value measurements:

	Fair Value at 3-31-15	Valuation Technique(s)	Unobservable Input(s)	Input Value(s)
Assets				
Common Stocks	\$ 324,734	Discounted book value	Multiple of book value	1x
			Illiquidity discount	10%
	1,145,168	Discounted cash flows model	Long-term growth rate	2.5%
			Weighted average cost of capital	8.2 to 12.3%
			Illiquidity discount	10%
Corporate Debt Securities	662,848	Discounted cash flows model	Long-term growth rate	2.5%
			Weighted average cost of capital	8.2%
			Illiquidity discount	10%

Significant increase in long-term growth rate or multiple of book value inputs could result in a higher fair value measurement. However, significant increase in weighted average cost of capital or illiquidity discount inputs could result in a lower fair value measurement.

During the year ended March 31, 2015, securities totaling \$818,617 changed valuation techniques from purchase price to discounted book value and/or discounted cash flows model. The change in valuation techniques is primarily due to the purchase price method no longer reflecting current market conditions.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts
 CMO = Collateralized Mortgage Obligation
 GTD = Guaranteed
 OTC = Over the Counter
 REMIC = Real Estate Mortgage Investment Conduit

Country Diversification		Japan	3.1%
(as a % of net assets)		Macau	2.9%
United States	58.5%	Netherlands	1.9%
United Kingdom	7.2%	Germany	1.3%
China	3.7%	Other Countries	1.7%
Hong Kong	3.6%	Other+	16.1%

+ Includes gold bullion, options, cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Matthew A. Hekman

Matthew A. Hekman, who has 16 years of industry experience, became portfolio manager of Ivy Balanced Fund in August 2014. Prior to August 2014, the Fund was managed by Cynthia P. Prince-Fox. Below, Mr. Hekman discusses positioning, performance and results for the fiscal year ended March 31, 2015.

Fiscal year Performance

For the 12 Months Ended March 31, 2015

Ivy Balanced Fund (Class A shares at net asset value)	9.06%
Ivy Balanced Fund (Class A shares including sales charges)	2.77%
Benchmark(s) and/or Lipper Category	
S&P 500 Index (generally reflects the performance of large- and medium-sized U.S. stocks)	12.73%
Barclays U.S. Government/Credit Index (generally reflects the performance of securities in the bond market)	5.86%
Lipper Mixed-Asset Target Allocation Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	6.75%

Please note that Fund returns include applicable fees and expenses, whereas the index returns do not include any such fees. Multiple indexes are presented because the Fund invests in multiple assets classes. The performance discussion below is at net asset value.

Key drivers

The fiscal year ended March 31, 2015 was one that saw an increasing amount of volatility, as investors grappled with a sluggish global growth environment; the end of the U.S. Federal Reserve (Fed) program of quantitative easing (commonly referred to as “QE”); ongoing geopolitical unrest in Eurasia and the Middle East; and a dramatic decline in the price of oil. As a result, longer-term interest rates, while volatile, declined over the course of the period and traditionally defensive sectors of the equity market outperformed.

Contributors and detractors

The Fund outperformed peers in the Lipper Mixed-Asset Target Allocation Growth Funds Universe Average, posting a total return of 9.06% for the fiscal year ended March 31, 2015. Relative outperformance was driven by the allocation decision to target equity exposure near 75% of the portfolio, the maximum amount allowable by prospectus. The Fund’s equity benchmark, the S&P 500, was up 12.7% for the fiscal year. The Fund’s fixed-income benchmark, the Barclays U.S. Government/Credit Index was up 5.9% for the fiscal year.

The equity portfolio performed well against its benchmark due entirely to stock selection. In particular, equity positions in technology, consumer discretionary and industrials drove strong relative performance. In addition, the equity portion of the Fund was overweight consumer discretionary, which was the second best performing sector in the benchmark. The relative underweight in health care was a detractor to relative performance, as it was the best performing sector in the benchmark. Poor stock selection in financials and a modest relative overweight in energy were the other factors limiting relative performance.

The fixed-income portion of the Fund had a positive return during the past 12 months, but lagged the benchmark’s return due to the portfolio’s shorter duration. The portfolio has long been short duration relative to its benchmark given the absolute low level of interest rates. The portfolio is substantially overweight credit given the good health of corporate balance sheets and abundant liquidity available within the financial system, which helped to mitigate the underperformance from duration but was unable to make up the entire shortfall.

Top contributors to Fund performance came from the technology, health care, consumer staples and consumer discretionary sectors. Specifically, Limited Inc., Apple, Home Depot, Ulta Salon, Constellation Brands, Cognizant and Autodesk were notable contributors. In addition, Southwest Airlines (no longer a Fund holding) and Boeing posted strong performance during the fiscal year. In most cases, we feel that the outlook for these companies continues to be promising. At Limited Inc., the Victoria’s Secret and PINK brands continue to resonate with consumers and a global growth opportunity appears to be emerging as international consumers look for affordable luxury. At Apple, exceptional demand for its new products and strong cash flow generation from its base business could allow the company to fund ongoing product development, reward shareholders and maintain an option for more aggressive utilization of its balance sheet if opportunities arise. At Home Depot, ongoing improvement in the home repair and remodel market here in the U.S., coupled with an emphasis on cost management has produced very strong results that we believe will prove sustainable.

Detractors to Fund performance included Noble Energy, Las Vegas Sands, Precision Castparts, Schlumberger and American Express. Noble Energy and Schlumberger (no longer a Fund holding) shares fell as global oil prices declined in the third and fourth quarters due to oversupply. Las Vegas Sands was negatively impacted by a dramatic decline in Macau casino visitation and spend as Asian economies cooled and the Chinese government cracked down on corruption.

Outlook

As we look ahead to the next 12 months, it seems volatility is likely to remain at an elevated level in the near term. The Fund's strategy was adjusted slightly during the fourth quarter of 2014 in reaction to the growing risks to economic growth and potential economic disruption resulting from the dramatic decline in oil prices. The targeted equity allocation was reduced from 75% to 70%, with the balance allocated to fixed income and cash.

We believe global growth will improve modestly as clarity around fiscal spending and monetary policy improve; strengthened balance sheets and higher consumer and corporate confidence readings begin to translate into higher consumer and corporate spending; and the lagged effect of historical stimulus continues to provide a persistent tailwind to growth. We continue to be encouraged by modest inflation rates and subdued inflation expectations, which could provide an environment conducive for central banks to provide support to their local economies, if needed.

In addition, we see encouraging signs from the U.S. housing market, as well as growing evidence of acceleration in consumer spending as significant positives for the domestic economy. As the U.S. economy gradually improves, the Fed may begin to raise interest rates, though the timing of that inflection point is elusive. While we continue to monitor macroeconomic forces and trends, we maintain an emphasis on finding high-quality, growing companies whose securities are trading at what we think is a reasonable valuation with visible catalysts could drive relative outperformance over the next 12 months. This approach has served investors well over time, and our confidence in it has not waned.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Fixed-income securities are subject to interest rate risk and, as such, the Fund's net asset value may fall as interest rates rise. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The indexes noted are unmanaged, include reinvested dividends and do not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Balanced Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Balanced Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	65.5%
Consumer Discretionary	15.9%
Information Technology	12.0%
Financials	10.4%
Industrials	8.3%
Health Care	7.4%
Consumer Staples	4.3%
Energy	4.1%
Materials	3.1%
Bonds	27.4%
Corporate Debt Securities	25.8%
United States Government and Government Agency Obligations	1.6%
Mortgage-Backed Securities	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	7.1%

Lipper Rankings

Category: Lipper Mixed-Asset Target Allocation Growth Funds	Rank	Percentile
1 Year	77/506	16
3 Year	95/458	21
5 Year	39/423	10
10 Year	13/293	5

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

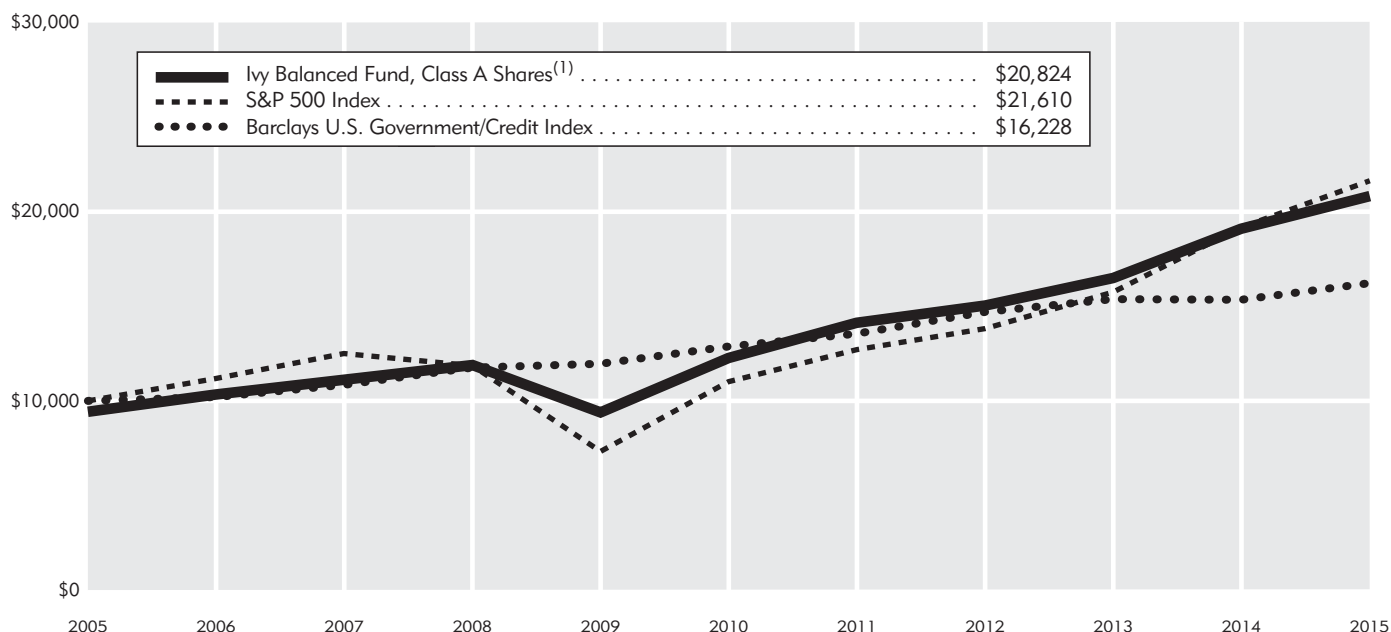
Company	Sector	Industry
Limited Brands, Inc.	Consumer Discretionary	Apparel Retail
Union Pacific Corp.	Industrials	Railroads
PNC Financial Services Group, Inc. (The)	Financials	Regional Banks
Apple, Inc.	Information Technology	Technology Hardware, Storage & Peripherals
Boeing Co. (The)	Industrials	Aerospace & Defense
Home Depot, Inc. (The)	Consumer Discretionary	Home Improvement Retail
Cognizant Technology Solutions Corp., Class A	Information Technology	IT Consulting & Other Services
JPMorgan Chase & Co.	Financials	Other Diversified Financial Services
Citigroup, Inc.	Financials	Other Diversified Financial Services
Constellation Brands, Inc.	Consumer Staples	Distillers & Vintners

See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT Ivy Balanced Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	2.77%	4.28%	8.34%	2.95%	9.34%	8.71%	—	9.10%
5-year period ended 3-31-15	9.87%	10.20%	10.45%	10.15%	11.50%	—	—	11.23%
10-year period ended 3-31-15	7.61%	7.50%	7.50%	—	—	—	—	8.34%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	7.61%	8.49%	13.88%	8.01%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Balanced Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel Retail – 2.4%		
Limited Brands, Inc.	648	\$ 61,062
Cable & Satellite – 2.0%		
Comcast Corp., Class A	529	29,873
Time Warner Cable, Inc. ...	134	20,099
		<u>49,972</u>
Casinos & Gaming – 0.9%		
Las Vegas Sands, Inc.	437	24,060
Department Stores – 0.8%		
Kohl's Corp.	254	19,887
Home Improvement Retail – 1.6%		
Home Depot, Inc. (The)	364	41,365
Hotels, Resorts & Cruise Lines – 2.4%		
Carnival Corp.	734	35,129
Hyatt Hotels Corp., Class A (A)	420	24,890
		<u>60,019</u>
Internet Retail – 1.1%		
Amazon.com, Inc. (A)	72	26,940
Motorcycle Manufacturers – 1.1%		
Harley-Davidson, Inc.	444	26,944
Movies & Entertainment – 1.3%		
Twenty-First Century Fox, Inc.	1,006	33,084
Restaurants – 1.2%		
McDonald's Corp.	303	29,538
Specialty Stores – 1.1%		
Ulta Salon, Cosmetics & Fragrance, Inc. (A)	191	28,858
Total Consumer Discretionary – 15.9%		401,729
Consumer Staples		
Brewers – 1.2%		
Anheuser-Busch InBev S.A. ADR	239	29,173
Distillers & Vintners – 2.0%		
Brown-Forman Corp., Class B	162	14,630
Constellation Brands, Inc. (A)	310	36,013
		<u>50,643</u>
Packaged Foods & Meats – 1.1%		
Mead Johnson Nutrition Co.	279	28,048
Total Consumer Staples – 4.3%		107,864

COMMON STOCKS (Continued)	Shares	Value
Energy		
Oil & Gas Exploration & Production – 1.7%		
ConocoPhillips	397	\$ 24,730
Noble Energy, Inc.	374	18,264
		<u>42,994</u>
Oil & Gas Refining & Marketing – 1.0%		
Phillips 66	314	24,664
Oil & Gas Storage & Transportation – 1.4%		
Plains GP Holdings L.P., Class A	524	14,877
Regency Energy Partners L.P.	941	21,516
		<u>36,393</u>
Total Energy – 4.1%		104,051
Financials		
Asset Management & Custody Banks – 1.3%		
Northern Trust Corp.	490	34,156
Consumer Finance – 1.2%		
American Express Co.	393	30,705
Multi-Line Insurance – 1.2%		
American International Group, Inc.	547	29,943
Other Diversified Financial Services – 3.0%		
Citigroup, Inc.	701	36,095
JPMorgan Chase & Co.	639	38,723
		<u>74,818</u>
Regional Banks – 2.0%		
PNC Financial Services Group, Inc. (The)	536	49,967
Specialized REITs – 1.0%		
Crown Castle International Corp.	305	25,200
Total Financials – 9.7%		244,789
Health Care		
Biotechnology – 0.7%		
Biogen, Inc. (A)	44	18,409
Pharmaceuticals – 6.7%		
Actavis plc (A)	120	35,625
GlaxoSmithKline plc ADR ...	638	29,444
Johnson & Johnson	344	34,627
Shire Pharmaceuticals Group plc ADR	142	34,075
Teva Pharmaceutical Industries Ltd. ADR	575	35,822
		<u>169,593</u>
Total Health Care – 7.4%		188,002

COMMON STOCKS (Continued)	Shares	Value
Industrials		
Aerospace & Defense – 3.7%		
Boeing Co. (The)	280	\$ 42,007
Lockheed Martin Corp.	110	22,245
Precision Castparts Corp. ...	144	30,198
		<u>94,450</u>
Construction Machinery & Heavy Trucks – 0.7%		
Cummins, Inc.	134	18,536
Electrical Components & Equipment – 1.4%		
Rockwell Automation, Inc.	294	34,055
Industrial Conglomerates – 0.5%		
General Electric Co.	506	12,544
Railroads – 2.0%		
Union Pacific Corp.	462	50,061
Total Industrials – 8.3%		209,646
Information Technology		
Application Software – 1.1%		
Autodesk, Inc. (A)	491	28,763
Data Processing & Outsourced Services – 2.6%		
Alliance Data Systems Corp. (A)	119	35,254
FleetCor Technologies, Inc. (A)	208	31,452
		<u>66,706</u>
IT Consulting & Other Services – 1.6%		
Cognizant Technology Solutions Corp., Class A (A)	655	40,890
Semiconductor Equipment – 1.4%		
Applied Materials, Inc.	1,577	35,568
Semiconductors – 3.5%		
Broadcom Corp., Class A ...	654	28,332
Microchip Technology, Inc.	551	26,963
Texas Instruments, Inc.	562	32,144
		<u>87,439</u>
Technology Hardware, Storage & Peripherals – 1.8%		
Apple, Inc.	364	45,247
Total Information Technology – 12.0%		304,613
Materials		
Diversified Chemicals – 2.3%		
Dow Chemical Co. (The) ...	504	24,163
PPG Industries, Inc.	153	34,530
		<u>58,693</u>

SCHEDULE OF INVESTMENTS

Ivy Balanced Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Industrial Gases – 0.8%		
Praxair, Inc.	165	\$ 19,922

Total Materials – 3.1% 78,615

TOTAL COMMON STOCKS – 64.8%

\$1,639,309

(Cost: \$1,309,782)

PREFERRED STOCKS

Financials

Reinsurance – 0.7%		
WMI Holdings Corp.,		
Class B, 3.000%,		
Convertible (A)	18	17,710

Total Financials – 0.7% 17,710

TOTAL PREFERRED STOCKS – 0.7%

\$ 17,710

(Cost: \$17,500)

CORPORATE DEBT SECURITIES

Principal

Consumer Discretionary		
Apparel Retail – 0.2%		
Limited Brands, Inc.:		
6.900%, 7-15-17	\$ 750	828
6.625%, 4-1-21	2,915	3,339
		<u>4,167</u>

Auto Parts & Equipment – 0.0%

Delphi Corp.,		
5.000%, 2-15-23	849	911

Automobile Manufacturers – 0.4%

Toyota Motor Credit Corp.,		
2.000%, 10-24-18 ...	3,225	3,291
Volkswagen Group of America, Inc.,		
2.125%, 5-23-19 (B) .	6,250	6,289
		<u>9,580</u>

Broadcasting – 0.0%

Discovery Communications LLC,		
3.300%, 5-15-22	900	905

Cable & Satellite – 0.3%

Pearson Funding Five plc,		
3.250%, 5-8-23 (B) ..	900	898
Viacom, Inc.:		
2.500%, 9-1-18	1,100	1,119
2.200%, 4-1-19	2,000	2,000
2.750%, 12-15-19 ...	3,000	3,047
		<u>7,064</u>

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Distributors – 0.0%		
LKQ Corp.,		
4.750%, 5-15-23	\$ 680	\$ 667

General Merchandise Stores – 0.1%

Dollar General Corp.:		
4.125%, 7-15-17	450	473
1.875%, 4-15-18	1,000	989
		<u>1,462</u>

Homebuilding – 0.2%

LGI Homes, Inc.,		
Convertible,		
4.250%, 11-15-19 (B) ..	3,600	3,701
Toll Brothers Finance Corp.,		
4.375%, 4-15-23	1,500	1,515
		<u>5,216</u>

Hotels, Resorts & Cruise Lines – 0.0%

Hyatt Hotels Corp.,		
3.375%, 7-15-23	500	505

Internet Retail – 0.1%

Amazon.com, Inc.,		
2.600%, 12-5-19	2,900	2,971

Movies & Entertainment – 0.1%

News American, Inc.,		
3.000%, 9-15-22	1,500	1,518

Total Consumer Discretionary – 1.4%

34,966

Consumer Staples

Brewers – 0.2%		
Heineken N.V.,		
1.400%, 10-1-17 (B) ...	2,000	2,009
SABMiller Holdings, Inc.,		
2.200%, 8-1-18 (B)	2,700	2,731
		<u>4,740</u>

Distillers & Vintners – 0.2%

Beam, Inc.,		
1.750%, 6-15-18	1,000	1,000
Brown-Forman Corp.,		
1.000%, 1-15-18	3,000	2,963
		<u>3,963</u>

Drug Retail – 0.1%

Walgreens Boots Alliance, Inc.,		
2.700%, 11-18-19	1,650	1,686

Food Distributors – 0.3%

Campbell Soup Co.,		
2.500%, 8-2-22	2,400	2,342
ConAgra Foods, Inc.,		
1.900%, 1-25-18	3,190	3,193
Wm. Wrigley Jr. Co.:		
2.000%, 10-20-17 (B) ...	1,000	1,011
2.400%, 10-21-18 (B) ..	1,500	1,527
		<u>8,073</u>

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Household Products – 0.0%		
Church & Dwight Co., Inc.,		
2.875%, 10-1-22	\$ 500	\$ 500

Personal Products – 0.0%

Estee Lauder Co., Inc. (The),		
2.350%, 8-15-22	1,200	1,176

Total Consumer Staples – 0.8% 20,138

Energy

Oil & Gas Drilling – 0.1%

Transocean, Inc.,		
2.500%, 10-15-17	2,000	1,837

Oil & Gas Equipment & Services – 0.0%

National Oilwell Varco, Inc.,		
1.350%, 12-1-17	500	496

Oil & Gas Exploration & Production – 1.5%

BP Capital Markets plc,		
2.315%, 2-13-20	3,000	3,025
BP Capital Markets plc (GTD by BP plc),		
2.241%, 9-26-18	4,250	4,320
ConocoPhillips,		
1.050%, 12-15-17	4,400	4,383
Devon Energy Corp.,		
2.250%, 12-15-18	3,000	3,027
ONEOK Partners L.P.,		
3.200%, 9-15-18	2,750	2,783
Stone Energy Corp.,		
Convertible,		
1.750%, 3-1-17	9,650	8,697
Whiting Petroleum Corp.,		
Convertible,		
1.250%, 4-1-20 (B)	12,800	13,512
		<u>39,747</u>

Oil & Gas Storage & Transportation – 1.0%

Buckeye Partners L.P.,		
2.650%, 11-15-18	6,300	6,296
Hornbeck Offshore Services, Inc.,		
Convertible,		
1.500%, 9-1-19	10,100	8,118
Kinder Morgan Energy Partners L.P.,		
2.650%, 2-1-19	3,250	3,255
Plains All American Pipeline L.P. and PAA Finance Corp.,		
2.600%, 12-15-19	1,750	1,758
Williams Partners L.P.,		
3.600%, 3-15-22	5,500	5,466
		<u>24,893</u>

Total Energy – 2.6% 66,973

SCHEDULE OF INVESTMENTS

Ivy Balanced Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Financials

Asset Management & Custody Banks – 0.7%

Ares Capital Corp.:		
4.875%, 11–30–18	\$ 6,500	\$ 6,834
3.875%, 1–15–20	10,000	10,175
		<u>17,009</u>

Consumer Finance – 1.2%

American Express Co.,		
4.900%, 12–29–49	4,800	4,870
American Express Credit Corp.,		
2.125%, 7–27–18	1,750	1,784
American Honda Finance Corp.,		
2.125%, 10–10–18	1,650	1,681
Capital One Bank USA N.A.:		
2.150%, 11–21–18	3,150	3,174
2.250%, 2–13–19	4,000	4,021
Capital One N.A.,		
2.400%, 9–5–19	3,250	3,263
Charles Schwab Corp. (The),		
2.200%, 7–25–18	1,000	1,018
Hyundai Capital America,		
2.875%, 8–9–18 (B)	1,550	1,597
Intercontinental Exchange Group, Inc.,		
2.500%, 10–15–18	1,700	1,753
SLM Corp.,		
4.875%, 6–17–19	3,000	2,992
Total System Services, Inc.,		
2.375%, 6–1–18	5,538	5,569
		<u>31,722</u>

Diversified Banks – 5.8%

ABN AMRO Bank N.V.,		
2.500%, 10–30–18 (B) ..	6,200	6,332
Banco Hipotecario Nacional,		
8.000%, 3–31–11 (B)(C)	1	—
Bank of America Corp.:		
2.000%, 1–11–18	2,500	2,518
8.000%, 12–29–49	8,800	9,449
Bank of New York Mellon Corp. (The),		
2.100%, 1–15–19	6,000	6,073
Bank of Nova Scotia (The):		
1.450%, 4–25–18	2,500	2,493
2.050%, 10–30–18	5,000	5,068
Barclays Bank plc,		
2.500%, 2–20–19	2,600	2,653
BNP Paribas S.A.:		
2.450%, 3–17–19	4,500	4,602
5.186%, 6–29–49 (B) ...	6,750	6,785
Commonwealth Bank of Australia,		
2.250%, 3–13–19	4,750	4,814
DBS Group Holdings Ltd.,		
2.246%, 7–16–19 (B) ...	8,750	8,849

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Diversified Banks (Continued)

ING Bank N.V.:		
2.500%, 10–1–19 (B) ..	\$ 5,400	\$ 5,485
2.450%, 3–16–20 (B) ..	7,200	7,288
KeyBank N.A.,		
2.500%, 12–15–19	4,000	4,077
Lloyds Bank plc,		
2.350%, 9–5–19	2,650	2,683
Lloyds Bank plc (GTD by Lloyds Banking Group plc),		
2.300%, 11–27–18	2,000	2,033
Mizuho Bank Ltd.,		
2.650%, 9–25–19 (B) ..	5,200	5,299
National Australia Bank Ltd.,		
2.400%, 12–9–19 (B) ..	12,000	12,210
Rabobank Capital Funding Trust III (GTD by Rabobank Nederland),		
5.254%, 12–31–49 (B) .	9,162	9,517
Skandinaviska Enskilda Banken AB,		
2.375%, 3–25–19 (B) ..	4,000	4,062
Societe Generale S.A.,		
5.922%, 4–29–49 (B) ..	11,000	11,481
Sumitomo Mitsui Banking Corp.,		
2.450%, 1–16–20	4,000	4,049
Swedbank AB (publ),		
1.750%, 3–12–18 (B) ..	5,000	5,016
UBS Preferred Funding Trust V,		
6.243%, 5–29–49	6,536	6,806
Wells Fargo & Co.:		
1.500%, 1–16–18	1,000	1,005
2.150%, 1–15–19	2,000	2,031
Westpac Banking Corp.,		
2.250%, 7–30–18	5,000	5,103
		<u>147,781</u>

Investment Banking & Brokerage – 0.9%

BGC Partners, Inc.,		
5.375%, 12–9–19	6,500	6,630
Credit Suisse Group Funding (Guernsey) Ltd.,		
2.750%, 3–26–20 (B) ..	4,000	4,028
Goldman Sachs Group, Inc. (The):		
2.900%, 7–19–18	1,350	1,395
2.625%, 1–31–19	4,000	4,087
2.600%, 4–23–20	3,400	3,436
Morgan Stanley,		
2.125%, 4–25–18	2,500	2,527
		<u>22,103</u>

Life & Health Insurance – 0.1%

AIA Group Ltd.,		
2.250%, 3–11–19 (B) ..	2,600	2,617

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Mortgage REITs – 0.3%

Mubadala GE Capital,		
3.000%, 11–10–19 (B) ..	\$ 6,750	\$ 6,731

Multi-Line Insurance – 0.1%

American International Group, Inc.,		
2.300%, 7–16–19	2,750	2,791

Other Diversified Financial Services – 2.6%

Citigroup, Inc.:		
3.875%, 2–19–19	2,600	2,574
2.550%, 4–8–19	15,000	15,292
2.400%, 2–18–20	9,000	9,032
5.800%, 11–29–49	8,600	8,622
Daimler Finance North America LLC,		
2.375%, 8–1–18 (B)	2,600	2,666
Fidelity National Financial, Inc.,		
6.600%, 5–15–17	900	983
Fifth Street Finance Corp.,		
4.875%, 3–1–19	6,700	6,900
JPMorgan Chase & Co.,		
7.900%, 4–29–49	3,000	3,229
Moody's Corp.,		
2.750%, 7–15–19	1,300	1,329
MUFG Americas Holdings Corp.,		
2.250%, 2–10–20	2,700	2,705
PennantPark Investment Corp.,		
4.500%, 10–1–19	8,100	8,231
Total Capital,		
2.125%, 8–10–18	1,500	1,532
Total Capital Canada Ltd.,		
1.450%, 1–15–18	2,000	2,006
		<u>65,101</u>

Property & Casualty Insurance – 0.1%

Berkshire Hathaway Finance Corp.,		
2.000%, 8–15–18	1,550	1,589
Berkshire Hathaway, Inc.,		
1.550%, 2–9–18	500	506
		<u>2,095</u>

Regional Banks – 0.6%

BB&T Corp.,		
1.450%, 1–12–18	3,422	3,427
PNC Bank N.A.,		
2.200%, 1–28–19	4,000	4,051
SunTrust Banks, Inc.:		
2.350%, 11–1–18	3,700	3,758
5.625%, 12–29–49	4,800	4,893
		<u>16,129</u>

Specialized REITs – 0.9%

Air Lease Corp.,		
3.750%, 2–1–22	4,000	4,064
Aircastle Ltd.,		
5.125%, 3–15–21	8,081	8,445

SCHEDULE OF INVESTMENTS

Ivy Balanced Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Specialized REITs (Continued)		
CNL Lifestyles Properties, Inc., 7.250%, 4-15-19	\$8,081	\$ 8,243
Crown Castle International Corp., 5.250%, 1-15-23	1,046	1,098
		<u>21,850</u>
Thrifts & Mortgage Finance – 0.1%		
Walter Investment Management Corp., Convertible, 4.500%, 11-1-19	4,000	3,105
		<u>339,034</u>
Total Financials – 13.4%		
Health Care		
Biotechnology – 0.3%		
Amgen, Inc., 2.200%, 5-22-19	6,000	6,078
Health Care Equipment – 0.3%		
Mallinckrodt International Finance S.A., 3.500%, 4-15-18	500	492
Medtronic, Inc., 2.500%, 3-15-20 (B) ..	3,000	3,065
Zimmer Holdings, Inc., 2.700%, 4-1-20	3,000	3,042
		<u>6,599</u>
Health Care Services – 0.1%		
Quest Diagnostics, Inc., 2.500%, 3-30-20	2,750	2,757
Health Care Supplies – 0.6%		
C.R. Bard, Inc., 1.375%, 1-15-18	4,385	4,359
Cardinal Health, Inc., 2.400%, 11-15-19	3,900	3,947
Express Scripts Holding Co., 2.250%, 6-15-19	6,000	6,027
Laboratory Corp. of America Holdings, 2.500%, 11-1-18	1,650	1,685
		<u>16,018</u>
Managed Health Care – 0.4%		
Aetna, Inc., 2.200%, 3-15-19	2,600	2,627
WellPoint, Inc., 1.875%, 1-15-18	7,200	7,253
		<u>9,880</u>
Pharmaceuticals – 0.8%		
Forest Laboratories, Inc., 5.000%, 12-15-21 (B)	9,500	10,564
Mylan, Inc., 2.550%, 3-28-19	700	704

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Pharmaceuticals (Continued)		
Perrigo Co. Ltd., 2.300%, 11-8-18	\$ 9,250	\$ 9,335
		<u>20,603</u>
Total Health Care – 2.5%		61,935
Industrials		
Aerospace & Defense – 0.5%		
General Dynamics Corp., 1.000%, 11-15-17	1,500	1,499
Northrop Grumman Corp., 1.750%, 6-1-18	2,060	2,066
TransDigm Group, Inc., 7.500%, 7-15-21	8,081	8,687
		<u>12,252</u>
Environmental & Facilities Services – 0.2%		
Ecolab, Inc., 1.450%, 12-8-17	5,800	5,798
Industrial Machinery – 0.4%		
Eaton Corp., 1.500%, 11-2-17	10,500	10,538
Railroads – 0.1%		
Kansas City Southern de Mexico S.A. de C.V., 2.350%, 5-15-20	900	887
Union Pacific Corp., 2.250%, 2-15-19	1,250	1,281
		<u>2,168</u>
Trucking – 0.1%		
Ryder System, Inc.: 2.450%, 11-15-18	2,250	2,288
2.350%, 2-26-19	1,000	1,007
		<u>3,295</u>
Total Industrials – 1.3%		34,051
Information Technology		
Data Processing & Outsourced Services – 0.1%		
Fidelity National Information Services, Inc., 2.000%, 4-15-18	1,250	1,256
IT Consulting & Other Services – 0.3%		
iGATE Corp., 4.750%, 4-15-19	8,081	8,132
Semiconductors – 0.4%		
Broadcom Corp., 2.700%, 11-1-18	1,000	1,031
Micron Technology, Inc., 5.500%, 2-1-25 (B)	8,081	8,142
		<u>9,173</u>
Systems Software – 0.3%		
CA, Inc., 2.875%, 8-15-18	2,850	2,922

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Systems Software (Continued)		
Oracle Corp., 2.250%, 10-8-19	\$5,300	\$ 5,404
		<u>8,326</u>
Total Information Technology – 1.1%		26,887
Materials		
Diversified Metals & Mining – 0.3%		
Anglo American plc, 4.125%, 4-15-21 (B) ...	2,200	2,265
BHP Billiton Finance (USA) Ltd. (GTD by BHP Billiton plc and BHP Billiton Ltd.), 2.050%, 9-30-18	1,200	1,225
Freeport-McMoRan Copper & Gold, Inc., 2.375%, 3-15-18	450	448
Glencore Funding LLC, 3.125%, 4-29-19 (B) ...	3,000	3,068
Teck Resources, 3.000%, 3-1-19	1,700	1,691
		<u>8,697</u>
Fertilizers & Agricultural Chemicals – 0.1%		
Monsanto Co., 2.125%, 7-15-19	2,100	2,129
Industrial Gases – 0.3%		
Airgas, Inc., 1.650%, 2-15-18	1,250	1,244
Praxair, Inc.: 1.250%, 11-7-18	5,600	5,556
3.000%, 9-1-21	1,000	1,044
		<u>7,844</u>
Metal & Glass Containers – 0.1%		
BlueScope Steel (Finance) Ltd. and BlueScope Steel Finance (USA) LLC, 7.125%, 5-1-18 (B)	1,281	1,326
Specialty Chemicals – 0.1%		
Albemarle Corp. (GTD by Albemarle Holdings Corp. and Albemarle Holdings II Corp.), 3.000%, 12-1-19	1,650	1,668
RPM International, Inc., 3.450%, 11-15-22	1,000	996
Sherwin-Williams Co. (The), 1.350%, 12-15-17	750	751
		<u>3,415</u>
Total Materials – 0.9%		23,411

SCHEDULE OF INVESTMENTS

Ivy Balanced Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Telecommunication Services		
Integrated Telecommunication Services – 0.6%		
AT&T, Inc., 2.300%, 3-11-19	\$13,000	\$ 13,126
Verizon Communications, Inc., 2.625%, 2-21-20	2,468	2,512
		<u>15,638</u>
Wireless Telecommunication Service – 0.1%		
American Tower Corp., 4.700%, 3-15-22	1,400	1,502
Virgin Media Finance plc, 4.875%, 2-15-22	284	271
		<u>1,773</u>
Total Telecommunication Services – 0.7%		17,411
Utilities		
Electric Utilities – 0.4%		
Electricite de France S.A., 2.150%, 1-22-19 (B) ..	4,000	4,054
PPL Energy Supply LLC, 4.600%, 12-15-21	2,800	2,569
Southern Co. (The), 2.450%, 9-1-18	2,800	2,885
		<u>9,508</u>
Gas Utilities – 0.2%		
Sempra Energy, 2.400%, 3-15-20	4,200	4,247
Multi-Utilities – 0.1%		
Dominion Resources, Inc., 2.500%, 12-1-19	4,000	4,065
Renewable Electricity – 0.4%		
Canadian Solar, Inc., Convertible, 4.250%, 2-15-19	9,000	9,382
Total Utilities – 1.1%		27,202
TOTAL CORPORATE DEBT SECURITIES – 25.8%		\$652,008
(Cost: \$641,153)		
MORTGAGE-BACKED SECURITIES		
Commercial Mortgage-Backed Securities – 0.0%		
Banco Hipotecario Nacional, 7.916%, 7-25-09 (B)(C)	7	—
TOTAL MORTGAGE-BACKED SECURITIES – 0.0%		\$ —
(Cost: \$—*)		

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

	Principal	Value
Mortgage-Backed Obligations – 0.0%		
Federal National Mortgage Association Fixed Rate Pass-Through Certificates:		
6.000%, 9-1-17	\$ 36	\$ 38
5.000%, 1-1-18	23	24
5.500%, 4-1-18	3	3
6.500%, 10-1-28	49	56
6.500%, 2-1-29	8	9
7.000%, 11-1-31	60	73
6.500%, 2-1-32	45	54
7.000%, 2-1-32	67	79
7.000%, 3-1-32	32	38
7.000%, 7-1-32	39	46
6.000%, 9-1-32	163	188
6.500%, 9-1-32	36	43
5.500%, 5-1-33	56	63
5.500%, 6-1-33	33	38
		<u>752</u>
TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 0.0%		\$ 752
(Cost: \$662)		
UNITED STATES GOVERNMENT OBLIGATIONS		
Treasury Obligations – 1.6%		
U.S. Treasury Notes:		
0.375%, 1-15-16	14,000	14,014
0.625%, 7-15-16	8,000	8,024
0.625%, 2-15-17	850	851
0.625%, 5-31-17	8,500	8,500
1.375%, 11-30-18	10,000	10,095
		<u>41,484</u>
TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 1.6%		\$41,484
(Cost: \$41,260)		
SHORT-TERM SECURITIES		
Commercial Paper (D) – 6.7%		
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB), 0.110%, 5-7-15	5,000	4,999
Becton Dickinson & Co., 0.440%, 4-7-15	5,000	4,999
CVS Caremark Corp.: 0.450%, 4-10-15	10,000	9,999
0.470%, 4-27-15	8,000	7,997
Danaher Corp., 0.080%, 4-10-15	3,000	3,000
Diageo Capital plc (GTD by Diageo plc), 0.470%, 4-6-15	6,975	6,974

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Commercial Paper (D) (Continued)		
General Mills, Inc.:		
0.480%, 4-9-15	\$10,000	\$ 9,999
0.500%, 5-4-15	5,000	4,998
0.480%, 5-19-15	5,000	4,997
J.M. Smucker Co. (The),		
0.280%, 4-1-15	2,121	2,121
National Oilwell Varco, Inc.,		
0.160%, 5-13-15	4,000	3,999
NBCUniversal Enterprise, Inc.,		
0.500%, 4-9-15	10,000	9,999
Novartis Finance Corp. (GTD by Novartis AG),		
0.110%, 4-6-15	10,000	10,000
PacifiCorp,		
0.550%, 4-2-15	5,000	5,000
Sherwin-Williams Co. (The):		
0.210%, 4-2-15	5,000	5,000
0.360%, 4-8-15	10,535	10,534
0.300%, 4-27-15	10,000	9,998
St. Jude Medical, Inc.,		
0.320%, 4-2-15	24,000	24,000
Virginia Electric and Power Co.,		
0.500%, 4-22-15	5,000	4,998
Walgreens Boots Alliance, Inc.,		
0.500%, 4-10-15	10,000	9,999
Wisconsin Electric Power Co.,		
0.370%, 4-7-15	6,500	6,500
Wisconsin Gas LLC,		
0.130%, 4-8-15	10,000	10,000
		<u>170,110</u>
Municipal Obligations – 0.7%		
LA Pub Fac Auth, Rev Bonds (Air Products and Chemicals Proj), Ser 2008A (GTD by Air Products and Chemicals, Inc.),		
0.040%, 4-1-15 (E) ...	500	500
MA Hlth and Edu Fac Auth, Var Rate Rev Bonds, Dana-Farber Cancer Institute Issue, Ser 2008L-1 (GTD by JPMorgan Chase Bank N.A.),		
0.010%, 4-7-15 (E) ...	1,400	1,400

SCHEDULE OF INVESTMENTS

Ivy Balanced Fund *(in thousands)*

MARCH 31, 2015

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Municipal Obligations (Continued)		
NYC GO Bonds, Fiscal		
2006 Ser E (GTD by		
Bank of America		
N.A.),		
0.020%, 4-7-15 (E) . .	\$15,300	\$ 15,300
		<u>17,200</u>
TOTAL SHORT-TERM SECURITIES – 7.4%		\$ 187,310
(Cost: \$187,311)		
TOTAL INVESTMENT SECURITIES – 100.3%		\$2,538,573
(Cost: \$2,197,668)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.3)%		(8,477)
NET ASSETS – 100.0%		\$2,530,096

Notes to Schedule of Investments

*Not shown due to rounding.

(A) No dividends were paid during the preceding 12 months.

(B) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$164,125 or 6.5% of net assets.

(C) Non-income producing as the issuer has either missed its most recent interest payment or declared bankruptcy.

(D) Rate shown is the yield to maturity at March 31, 2015.

(E) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$1,639,309	\$ —	\$ —
Preferred Stocks	17,710	—	—
Corporate Debt Securities	—	652,008	—
Mortgage-Backed Securities	—	—	—
United States Government Agency Obligations	—	752	—
United States Government Obligations	—	41,484	—
Short-Term Securities	—	187,310	—
Total	<u>\$1,657,019</u>	<u>\$ 881,554</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.



David P. Ginther

Below, David P. Ginther, CPA, portfolio manager of Ivy Energy Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Ginther has managed the Fund since its inception in 2006 and has 20 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Energy Fund (Class A shares at net asset value)	-14.35%
Ivy Energy Fund (Class A shares including sales charges)	-19.28%
Benchmark(s) and/or Lipper Category	
S&P 1500 Energy Sector Index (generally reflects the performance of stocks that represent the energy market)	-12.55%
Lipper Natural Resources Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-18.30%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is based on net asset value.

Oil prices fall

U.S. equities closed the fiscal year with gains across the broad market indexes, again reaching record-high levels late in the final quarter of the year. Global equities in general also finished the fiscal year slightly higher. Crude oil prices plunged worldwide in the second half of 2014 on forecasts of reduced global demand along with a decision in November by OPEC that it would not reduce production. Prices fell to levels not seen since 2009, pressuring stocks and raising concerns that the price tumble, if sustained, could stall economic growth in some regions. Crude oil prices continued to trade at these lower levels as the fiscal year came to a close.

U.S. economic indicators were somewhat mixed as the fiscal year came to a close, but continued to show steady growth. The U.S. remained the economic leader among developed countries. The European Central Bank (ECB) increased its economic growth forecasts for Europe late in the fiscal year, coinciding with the start of the ECB's bond-buying program as economic stimulus. The continued turmoil in Russia — which prompted economic sanctions by western countries in the first half of 2014 — and across the Middle East unsettled global markets at various times during the year. The steadily improving economy in the U.S., including growth in shale oil production that helped hold down costs for business and consumers, provided support to energy markets through most of the year. Worldwide oil production in general again increased. Slow global economic growth meant that energy demand also slowed its rate of increase in the second half of the year, reaching a five-year low. A strong U.S. dollar contributed to the weakness in crude oil prices, as oil is priced globally in dollars.

Fund feels effects of price drop

The Fund had a negative return for the fiscal year that was somewhat greater than the negative return of its benchmark index. The plunge in oil prices in late 2014 caused a significant decline in the prices of energy stocks, which represent the largest sector in the Fund.

The underperformance to the benchmark index primarily was because of the Fund's allocations to "upstream" energy companies (oil and gas exploration and production) when compared to the benchmark. The benchmark index holds what the Fund manager considers to be an outsized allocation to large integrated oil companies. For example, the Fund averaged a 1.54% allocation to Exxon Mobil during the year versus the index average of 23%. Typically, the Fund does not exceed a 5% allocation to a single company. Historically, integrated companies often underperform when the energy sector performs well as a whole, but they tend to do relatively better when the sector is in decline. This held true during the fiscal year, as the Fund outpaced its benchmark through the first half of its fiscal year but trailed in the remainder as the energy sector experienced broad declines on concerns about a global oversupply of oil stemming from slower global demand and growth in global production, mostly from the U.S.

The five greatest relative contributors to the Fund's performance in the year were Phillips 66 Partners LP, MPLX LP, Tesoro Corp., Energy Transfer Equity and Athlon Energy. The five greatest relative detractors were Core Laboratories, Basic Energy Services Inc., Patterson-UTI Energy, Oasis Petroleum and Exxon Mobil Corp. By the end of the Fund's fiscal year, it had exited its positions in MPLX LP, Athlon Energy and Basic Energy Services Inc.

Outlook for continued slow growth

We think the U.S. will continue to have steady economic growth and low inflation in 2015 and expect it to lead other developed countries. We also believe economic growth will continue globally, although also at a mild rate. We think global energy demand will continue to grow, but at a slower pace than previously forecast. Lower oil prices have prompted cuts in capital expenditures at energy firms, which we think will continue, which in turn will reduce the growth rate of global production. We also think the plunge in crude oil prices is unlikely to be sustainable in the long term.

We believe the U.S. will continue to increase oil and gas production, but at a slower rate because of the price decline. We also think exploration & production companies, oil service companies and infrastructure providers will remain the main beneficiaries of this growth.

We remain concerned about heightened geopolitical risks related to the Middle East and Russia, and believe these will continue to overhang markets and generate uncertainty in the coming year.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investing in companies involved in one specified sector may be more risky and volatile than an investment with greater sector diversification. Investing in the energy sector can be riskier than other types of investment activities because of a range of factors, including price fluctuation caused by real and perceived inflationary trends and political developments, and the cost assumed by energy companies in complying with environmental safety regulations. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of Ivy Energy Fund.

PORTFOLIO HIGHLIGHTS

Ivy Energy Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	93.6%
Energy	86.8%
Industrials	4.3%
Financials	2.0%
Information Technology	0.5%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	6.4%

Country Weightings

North America	89.1%
United States	84.1%
Canada	5.0%
Europe	4.0%
Other	0.5%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	6.4%

Lipper Rankings

Category: Lipper Natural Resources Funds	Rank	Percentile
1 Year	34/84	40
3 Year	18/70	26
5 Year	24/63	38

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Halliburton Co.	United States	Energy	Oil & Gas Equipment & Services
Schlumberger Ltd.	United States	Energy	Oil & Gas Equipment & Services
Baker Hughes, Inc.	United States	Energy	Oil & Gas Equipment & Services
Cimarex Energy Co.	United States	Energy	Oil & Gas Exploration & Production
EOG Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Pioneer Natural Resources Co.	United States	Energy	Oil & Gas Exploration & Production
Marathon Petroleum Corp.	United States	Energy	Oil & Gas Refining & Marketing
Phillips 66	United States	Energy	Oil & Gas Refining & Marketing
Tesoro Corp.	United States	Energy	Oil & Gas Refining & Marketing
Weatherford International Ltd.	Switzerland	Energy	Oil & Gas Equipment & Services

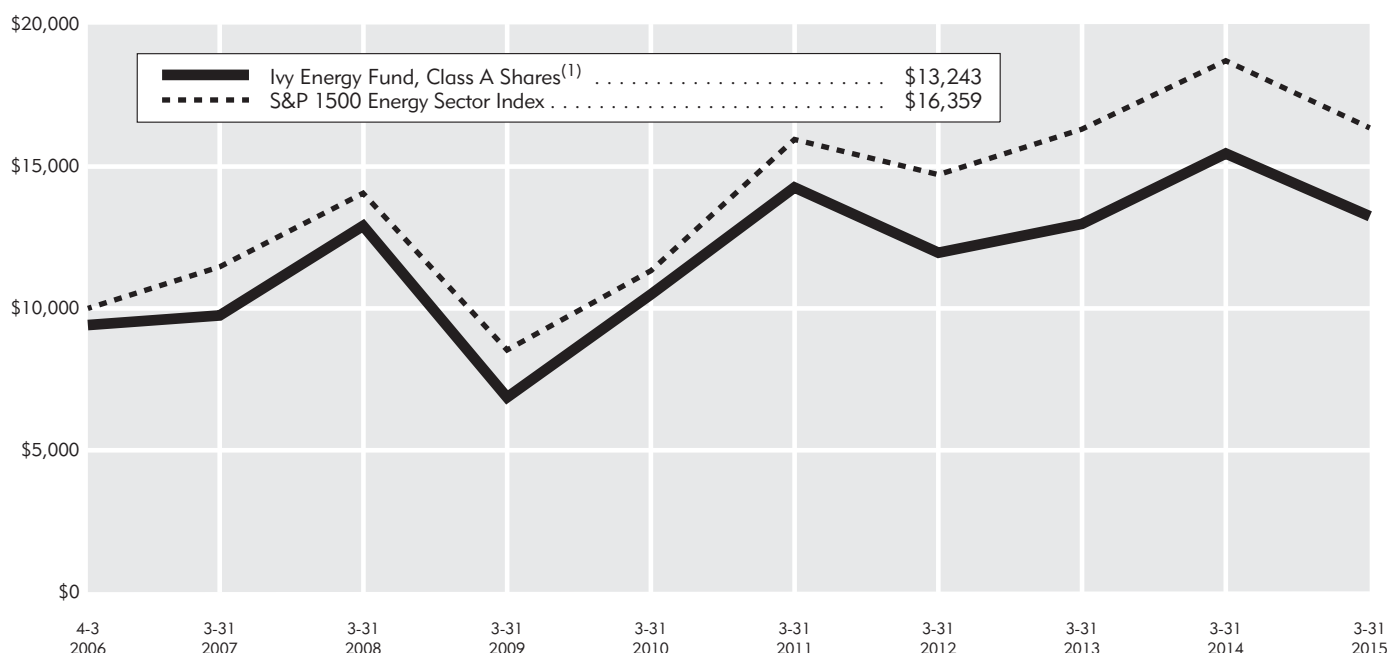
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Energy Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-19.28%	-18.45%	-14.85%	-19.07%	-14.05%	-14.50%	—	-14.26%
5-year period ended 3-31-15	3.54%	3.73%	4.12%	3.85%	5.19%	—	—	4.92%
10-year period ended 3-31-15	—	—	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁶⁾	3.17%	3.09%	3.17%	3.25%	4.12%	5.93%	-19.80%	4.00%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-3-06 for Class A shares, 4-3-06 for Class B shares, 4-3-06 for Class C shares, 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares, 7-31-14 for Class R6 shares and 4-3-06 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Energy Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Energy		
Integrated Oil & Gas – 4.1%		
Chevron Corp.	38	\$ 3,968
Exxon Mobil Corp.	66	5,648
Royal Dutch Shell plc, Class A (A)	121	3,620
Suncor Energy, Inc.	153	4,464
		<u>17,700</u>
Oil & Gas Drilling – 2.8%		
Helmerich & Payne, Inc.	101	6,841
Patterson-UTI Energy, Inc.	289	5,429
		<u>12,270</u>
Oil & Gas Equipment & Services – 19.5%		
Baker Hughes, Inc.	241	15,332
Cameron International Corp. (B)	98	4,442
Core Laboratories N.V.	34	3,542
Dril-Quip, Inc. (B)	53	3,652
FMC Technologies, Inc. (B) ...	92	3,416
Forum Energy Technologies, Inc. (B)	327	6,400
Halliburton Co.	357	15,672
Schlumberger Ltd.	187	15,620
Superior Energy Services, Inc.	308	6,889
Weatherford International Ltd. (B)	826	10,160
		<u>85,125</u>
Oil & Gas Exploration & Production – 34.4%		
Anadarko Petroleum Corp. ...	118	9,753
Antero Resources Corp. (B) ...	118	4,178
Cabot Oil & Gas Corp.	190	5,620
Canadian Natural Resources Ltd.	210	6,451
Cimarex Energy Co.	118	13,632
Concho Resources, Inc. (B) ...	87	10,120
ConocoPhillips	93	5,784
Continental Resources, Inc. (B)	198	8,658
EOG Resources, Inc.	144	13,171
Gulfport Energy Corp. (B)	120	5,530
Laredo Petroleum Holdings, Inc. (B)	176	2,290
Memorial Resource Development Corp. (B)	266	4,711
Newfield Exploration Co. (B)	218	7,658
Noble Energy, Inc.	168	8,230
Oasis Petroleum LLC (B)	241	3,427
Parsley Energy, Inc., Class A(B)	511	8,172
Pioneer Natural Resources Co.	68	11,053
Rice Energy, Inc. (B)	346	7,518

COMMON STOCKS (Continued)	Shares	Value
Oil & Gas Exploration & Production (Continued)		
RSP Permian, Inc. (B)	254	\$ 6,396
Southwestern Energy Co. (B)	148	3,436
Whiting Petroleum Corp. (B)	137	4,241
		<u>150,029</u>
Oil & Gas Refining & Marketing – 12.5%		
HollyFrontier Corp.	155	6,260
Marathon Petroleum Corp. ...	105	10,772
Marathon Petroleum Corp. L.P.	115	8,454
Phillips 66	130	10,194
Tesoro Corp.	112	10,188
Valero Energy Corp.	134	8,519
		<u>54,387</u>
Oil & Gas Storage & Transportation – 13.5%		
Columbia Pipeline Partners L.P. (B)	194	5,359
Enbridge, Inc.	98	4,770
Energy Transfer Equity L.P. ...	139	8,779
MarkWest Energy Partners L.P.	100	6,590
Phillips 66 Partners L.P.	126	8,894
Plains GP Holdings L.P., Class A	109	3,105
Rice Midstream Partners L.P.	143	2,012
Shell Midstream Partners L.P.	57	2,212
Targa Resources Corp.	66	6,293
Valero Energy Partners L.P.	75	3,630
Williams Co., Inc. (The)	148	7,467
		<u>59,111</u>
Total Energy – 86.8%		378,622
Financials		
Specialized Finance – 2.0%		
CME Group, Inc.	94	8,927
		<u>8,927</u>
Total Financials – 2.0%		8,927
Industrials		
Construction & Engineering – 1.0%		
Fluor Corp.	80	4,596
		<u>4,596</u>
Electrical Components & Equipment – 1.1%		
SolarCity Corp. (B)	93	4,774
		<u>4,774</u>

COMMON STOCKS (Continued)	Shares	Value
Railroads – 2.2%		
Canadian Pacific Railway Ltd.	33	\$ 5,938
Kansas City Southern	34	3,481
		<u>9,419</u>
Total Industrials – 4.3%		18,789
Information Technology		
Semiconductor Equipment – 0.5%		
SolarEdge Technologies, Inc. (B)	94	2,056
		<u>2,056</u>
Total Information Technology – 0.5%		2,056
TOTAL COMMON STOCKS – 93.6%		\$408,394
(Cost: \$383,803)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (C) – 5.4%		
Danaher Corp., 0.080%, 4–10–15	\$5,000	5,000
Kroger Co. (The), 0.280%, 4–1–15	5,433	5,433
National Oilwell Varco, Inc., 0.160%, 5–13–15	4,000	3,999
PacifiCorp, 0.550%, 4–2–15	4,000	4,000
Virginia Electric and Power Co., 0.500%, 4–22–15	5,000	4,998
		<u>23,430</u>
Master Note – 0.4%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (D)	1,784	1,784
		<u>1,784</u>
TOTAL SHORT-TERM SECURITIES – 5.8%		\$ 25,214
(Cost: \$25,215)		
TOTAL INVESTMENT SECURITIES – 99.4%		\$433,608
(Cost: \$409,018)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.6%		2,814
NET ASSETS – 100.0%		\$436,422

Notes to Schedule of Investments

(A) Listed on an exchange outside the United States.

(B) No dividends were paid during the preceding 12 months.

(C) Rate shown is the yield to maturity at March 31, 2015.

(D) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

SCHEDULE OF INVESTMENTS

Ivy Energy Fund *(in thousands)*

MARCH 31, 2015

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$408,394	\$ —	\$ —
Short-Term Securities	—	25,214	—
Total	\$408,394	\$ 25,214	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

Country Diversification		Switzerland	2.3%
(as a % of net assets)		Other Countries	2.2%
United States	84.1%	Other+	6.4%
Canada	5.0%		

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



David P. Ginther

Below, David P. Ginther, CPA, portfolio manager of Ivy Global Natural Resources Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Ginther has managed the Fund since 2013. He has 20 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Global Natural Resources Fund (Class A shares at net asset value)	-15.42%
Ivy Global Natural Resources Fund (Class A shares including sales charges)	-20.27%
Benchmark(s)/Lipper Category	
MSCI AC World IMI 55% Energy + 45% Materials Index (generally reflects the performance of the energy and materials stocks in developed and emerging markets.)	-13.32%
Lipper Global Natural Resources Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-17.23%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Oil price plunge adds pressure

U.S. equities closed the Fund's fiscal year with gains across the broad market indexes, again reaching record-high levels after a year that saw steady gains. Global equities in general also finished the year slightly higher.

Crude oil prices plunged worldwide late in the year, reaching levels not seen since 2009. The price decline was prompted by reduced global demand, an increase in North American supply and the unwillingness by OPEC to cut production at its meeting in November to defend crude oil prices. The oil price decline pressured the stock market and raised concerns that the price tumble, if sustained, could stall economic growth in some regions.

U.S. economic indicators continued to show steady growth during the year. The U.S. remained the leader in economic growth among developed countries. Growth forecasts for Europe were revised lower and the European Central Bank began an economic stimulus program late in fiscal year.

Commodities prices declined at an accelerating pace as the fiscal year came to a close, reflecting the continued low-growth, low-inflation environment around the world. A stronger U.S. dollar against most world currencies also pressured commodities prices, which are priced in dollars on world markets.

Fund

The Fund finished another difficult year for natural resources with a return that was slightly less than the negative return of its benchmark index, although the Fund's return was slightly better than its peer group average. The Fund maintained a higher average weighting to the energy sector — 63.5% versus 55% in the index — during the fiscal year. While this positioning benefitted the Fund through a portion of the fiscal year, the energy sector experienced broad declines during the closing months of 2014 on concerns about a global oversupply of oil stemming from weak global demand combined with growth in the global production of oil. Most of this production growth was from the U.S. As a result of the price plunge, the Fund's overweight in energy hurt performance relative to the blended MSCI benchmark.

The Fund typically hedges foreign currency exposure using forward foreign currency contracts. These derivatives positions were positive contributors to performance as the U.S. dollar strengthened.

The oil industry remains a major focus for the Fund, especially through companies involved in equipment & services, exploration & production and transportation industries. The increase in shale oil production from key basins in North America also remains an important focus for energy holdings.

Outlook

We think the U.S. will continue to have steady economic growth and low inflation in 2015 and expect it to be the economic leader among developed countries. We also believe economic growth will continue globally, although at a mild rate.

We think commodities remain in a low-demand environment because of the slow pace of the global economy. Commodities prices persisted at weaker levels during the year and we think that will continue until global economic growth gains momentum. We think major commodities companies will continue to focus on managing costs and capital expenditures as a result. The prospects for growth have improved in several emerging countries, but not to a level that we think is sufficient to greatly increase demand.

We think global energy demand will continue to grow, although at a slower pace than previously forecast. In our view, lower oil prices will prompt cuts in capital expenditures at energy companies, which we think in turn will reduce the growth rate of global production. We also think the plunge in crude oil prices is unlikely to be sustainable in the long term. We remain concerned about heightened geopolitical risks related to the Middle East and Russia, and believe these will continue to overhang markets and generate uncertainty.

We will continue to use our top-down, fundamental research process in seeking companies that we believe may benefit from a stronger rebound in economic activity and the growth in demand that may result.

As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Investing in companies involved in one specified sector may be more risky and volatile than an investment with greater diversification. Investing in natural resources can be riskier than other types of investment activities because of a range of factors, including price fluctuation caused by real and perceived inflationary trends and political developments; and the cost assumed by natural resource companies in complying with environmental and safety regulations. International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. Commodity trading, including trading in precious metals, is generally considered speculative because of the significant potential for investment loss. Markets for commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of Ivy Global Natural Resources Fund.

PORTFOLIO HIGHLIGHTS

Ivy Global Natural Resources Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	98.5%
Energy	66.2%
Materials	23.2%
Industrials	6.9%
Financials	2.2%
Utilities	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.5%

Lipper Rankings

Category: Lipper Global Natural Resources Funds	Rank	Percentile
1 Year	57/150	38
3 Year	63/138	46
5 Year	72/112	64
10 Year	36/45	79

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Schlumberger Ltd.	United States	Energy	Oil & Gas Equipment & Services
Halliburton Co.	United States	Energy	Oil & Gas Equipment & Services
Dow Chemical Co. (The)	United States	Materials	Diversified Chemicals
Baker Hughes, Inc.	United States	Energy	Oil & Gas Equipment & Services
BHP Billiton plc	United Kingdom	Materials	Diversified Metals & Mining
Rio Tinto plc	United Kingdom	Materials	Diversified Metals & Mining
Marathon Petroleum Corp.	United States	Energy	Oil & Gas Refining & Marketing
LyondellBasell Industries N.V., Class A	United States	Materials	Specialty Chemicals
EOG Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Phillips 66	United States	Energy	Oil & Gas Refining & Marketing

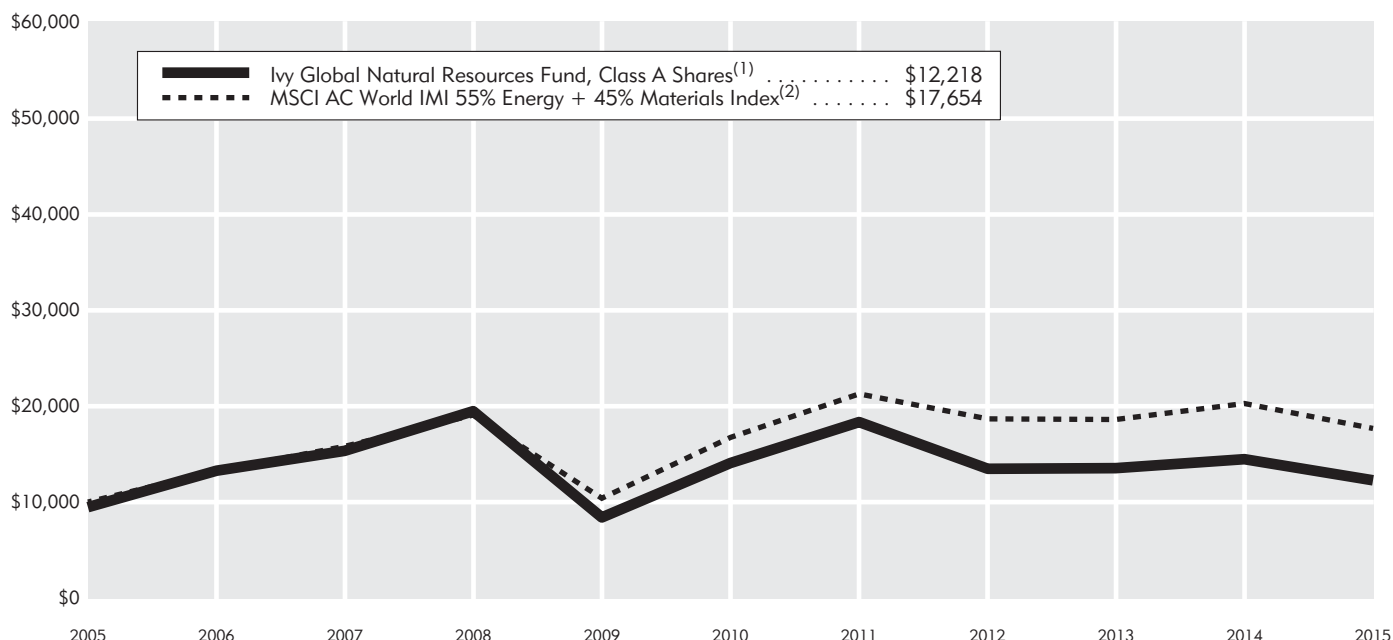
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Natural Resources Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

(2) Blended index is represented by 55% MSCI AC World IMI Energy Index and 45% MSCI AC World IMI Materials Index.

Average Annual Total Return ⁽³⁾	Class A ⁽⁴⁾	Class B ⁽⁵⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-20.27%	-19.49%	-15.93%	-20.01%	-14.98%	-15.53%	—	-15.16%
5-year period ended 3-31-15	-3.91%	-3.77%	-3.40%	-3.69%	-2.33%	-2.90%	—	-2.54%
10-year period ended 3-31-15	2.02%	1.97%	1.94%	—	—	—	—	2.85%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	-3.57%	-2.46%	0.50%	-19.94%	—

(3) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(4) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(5) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(6) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-29-05 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

The Morgan Stanley Commodity Related Index has been discontinued as of July 2014, and thus, will no longer serve as a benchmark for this Fund.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Global Natural Resources Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS		Shares	Value	COMMON STOCKS (Continued)		Shares	Value	COMMON STOCKS (Continued)		Shares	Value
Canada				Energy (Continued)				Materials – 13.2%			
Energy – 3.9%				Cimarex Energy Co. 125 \$ 14,415				Airgas, Inc. 71 \$ 7,497			
Canadian Natural Resources Ltd. 559 \$17,165				Concho Resources, Inc. (A) 197 22,778				Dow Chemical Co. (The) 907 43,496			
Suncor Energy, Inc. 928 27,129				ConocoPhillips 89 5,560				Freeport-McMoRan Copper & Gold, Inc., Class B 1,223 23,183			
				Continental Resources, Inc. (A) 527 23,018				LyondellBasell Industries N.V., Class A 381 33,439			
Industrials – 2.0%				Dril-Quip, Inc. (A) 79 5,430				PPG Industries, Inc. 77 17,378			
Canadian Pacific Railway Ltd. 125 22,819				Energy Transfer Equity L.P. 341 21,618				Southern Copper Corp. 595 17,349			
Materials – 0.3%				EOG Resources, Inc. 349 32,000				Westlake Chemical Partners L.P. 262 7,038			
Yamana Gold, Inc. 791 2,835				Exxon Mobil Corp. 69 5,839							
				FMC Technologies, Inc. (A) 139 5,139							
Total Canada – 6.2%								149,380			
\$69,948											
China				Forum Energy Technologies, Inc. (A) 506 9,914				Total United States – 79.8%			
Materials – 0.0%				Gulfport Energy Corp. (A) .. 151 6,919				\$ 901,774			
China Metal Recycling (Holdings) Ltd. 30,000 —				Halliburton Co. 1,260 55,291							
				Helmerich & Payne, Inc. ... 164 11,163							
Total China – 0.0%				HollyFrontier Corp. 281 11,334				TOTAL COMMON STOCKS – 96.8%			
\$ —				Marathon Petroleum Corp. 327 33,461				\$1,094,491			
				MarkWest Energy Partners L.P. 204 13,465				(Cost: \$1,021,485)			
France				Newfield Exploration Co. (A) 200 7,023				INVESTMENT FUNDS			
Materials – 0.7%				Noble Energy, Inc. 526 25,707				United States – 1.7%			
L Air Liquide S.A. 61 7,819				Oasis Petroleum LLC (A) ... 761 10,825				SPDR Gold Trust (A) ... 175 19,851			
				Oceaneering International, Inc. 102 5,485							
Total France – 0.7%				Patterson-UTI Energy, Inc. 646 12,127				TOTAL INVESTMENT FUNDS – 1.7%			
\$ 7,819				Phillips 66 366 28,748				\$ 19,851			
Netherlands				Pioneer Natural Resources Co. 144 23,554				(Cost: \$20,708)			
Energy – 0.4%				Plains GP Holdings L.P., Class A 444 12,589				PREFERRED STOCKS			
Core Laboratories N.V. 48 5,057				Rice Energy, Inc. (A) 604 13,153				United States			
				Rice Midstream Partners L.P. 414 5,846				Utilities – 0.0%			
Total Netherlands – 0.4%				Schlumberger Ltd. 732 61,116				Konarka Technologies, Inc., 8.000%, Convertible (A)(B) ... 3,500 —			
\$ 5,057				Shell Midstream Partners L.P. 178 6,951							
Switzerland				Superior Energy Services, Inc. 703 15,696				Total United States – 0.0%			
Energy – 2.4%				Tesoro Corp. 157 14,332				\$ —			
Weatherford International Ltd. (A) 2,188 26,916				Valero Energy Corp. 288 18,329							
				Valero Energy Partners L.P. 114 5,527				TOTAL PREFERRED STOCKS – 0.0%			
Total Switzerland – 2.4%				Whiting Petroleum Corp. (A) 362 11,170				(Cost: \$10,850)			
\$26,916				Williams Co., Inc. (The) ... 361 18,276				SHORT-TERM SECURITIES			
United Kingdom								Principal			
Materials – 7.3%				Financials – 2.2%				Commercial Paper (C) – 1.0%			
Anglo American plc 267 4,000				CME Group, Inc. 254 24,028				CVS Caremark Corp. 0.450%, 4–10–15 ... \$5,000 4,999			
BHP Billiton plc 1,656 36,187				Industrials – 4.9%				Harley-Davidson Financial Services (GTD by Harley-Davidson Credit Corp.) 0.320%, 4–7–15 3,000 3,000			
Randgold Resources Ltd. ADR 104 7,232				Caterpillar, Inc. 274 21,942				Kroger Co. (The) 0.310%, 4–7–15 3,000 3,000			
Rio Tinto plc 865 35,558				Fluor Corp. 197 11,275							
				Joy Global, Inc. 393 15,388							
				Kansas City Southern 67 6,819							
Total United Kingdom – 7.3%											
\$82,977											
United States											
Energy – 59.5%											
Anadarko Petroleum Corp. ... 290 23,978											
Antero Resources Corp. (A) 316 11,147											
Baker Hughes, Inc. 629 40,014											
Cabot Oil & Gas Corp. 437 12,915											
Cameron International Corp. (A) 246 11,090											

SCHEDULE OF INVESTMENTS

Ivy Global Natural Resources Fund *(in thousands)*

MARCH 31, 2015

SHORT-TERM SECURITIES

(Continued)	Principal	Value
Master Note – 0.2%		
Toyota Motor Credit Corp.		
0.130%, 4-1-15 (D) .	\$1,948	\$ 1,948
United States Government Agency Obligations – 0.2%		
Overseas Private Investment Corp. (GTD by U.S. Government)		
0.110%, 4-7-15 (D) . .	2,500	2,500
TOTAL SHORT-TERM SECURITIES – 1.4%		\$ 15,447
(Cost: \$15,447)		
TOTAL INVESTMENT SECURITIES – 99.9%		\$1,129,789
(Cost: \$1,068,490)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.1%		855
NET ASSETS – 100.0%		\$1,130,644

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Restricted security. At March 31, 2015, the Fund owned the following restricted security:

Security	Acquisition Date(s)	Shares	Cost	Market Value
Konarka Technologies, Inc., 8.000%, Convertible	8-31-07	3,500	\$10,850	\$—

The total value of this security represented 0.0% of net assets at March 31, 2015.

(C) Rate shown is the yield to maturity at March 31, 2015.

(D) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	50,059	U.S. Dollar	75,443	4-13-15	UBS AG	\$1,191	\$—
Canadian Dollar	36,413	U.S. Dollar	28,831	4-13-15	UBS AG	85	—
Euro	7,214	U.S. Dollar	7,765	4-13-15	UBS AG	7	—
						<u>\$1,283</u>	<u>\$—</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$1,094,491	\$ —	\$—
Investment Funds	19,851	—	—
Preferred Stocks	—	—	—
Short-Term Securities	—	15,447	—
Total	<u>\$1,114,342</u>	<u>\$15,447</u>	<u>\$—</u>
Forward Foreign Currency Contracts	\$ —	\$ 1,283	\$—

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

SCHEDULE OF INVESTMENTS

Ivy Global Natural Resources Fund *(in thousands)*

MARCH 31, 2015

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

Market Sector Diversification

(as a % of net assets)

Energy	66.2%
Materials	23.2%

+ Includes cash and other assets (net of liabilities), and cash equivalents

Industrials	6.9%
Financials	2.2%
Utilities	0.0%
Other+	1.5%

See Accompanying Notes to Financial Statements.



Keith R. Pauley

Ivy Global Real Estate Fund is subadvised by LaSalle Investment Management Securities, LLC. Below, Keith R. Pauley, CFA, Stanley J. Kraska, Jr., George J. Noon, CFA, and Ernst-Jan de Leeuw, portfolio managers of the Ivy Global Real Estate Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Messrs. Pauley and Kraska have managed the Fund since inception and each has 29 years of industry experience. Mr. Noon has managed the Fund since inception and has 27 years of industry experience. Mr. de Leeuw has managed the Fund since inception and has 19 years of industry experience. Effective May 2015, Ernst-Jan de Leeuw no longer serves as a manager of the Fund and Matthew Sgrizzi, CFA, of LaSalle, became a manager of the Fund.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Global Real Estate Fund (Class A shares at net asset value)	16.31%
Ivy Global Real Estate Fund (Class A shares including sales charges)	9.62%
Benchmark(s) and/or Lipper Category	
FTSE EPRA/NAREIT Developed Index (generally reflects the performance of real estate stocks in developed countries)	16.06%
Lipper Global Real Estate Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	14.84%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



Stanley J. Kraska, Jr.



George J. Noon



Ernst-Jan de Leeuw

Low-growth, low-interest rate world

The past year was dominated by concerns about economic growth in many parts of the world, with the increased strength of the U.S. economy largely offset by weakness in continental Europe and most of the Asia-Pacific region. Early concerns that the U.S. Federal Reserve (Fed) would rapidly raise interest rates gave way to a consensus that efforts to spur global growth were vital. In the last several quarters, monetary stimulus actions have been initiated in more than 20 countries around the world. Interest rates are negative in some instances and remain close to historic lows in many countries. Inflation remains low; when one includes energy prices, we believe potential deflation is a factor in several economies.

Public equities have benefitted in this environment, particularly in sectors that have provided higher and relatively more stable income streams, such as real estate. In the past year, global real estate stocks (as measured by the FTSE EPRA/NAREIT Developed Index) have produced a return that is well above that of global equities (as measured by the MSCI World Index). Capital markets were very active in the period, with more than \$70 billion in equity and nearly \$90 billion in corporate debt issued by global real estate companies around the world.

Stock selections, country allocations play key roles

The Fund finished the fiscal year with a strong positive return, greater than the returns of its benchmark index and peer group average.

The strongest absolute returns in global real estate securities during the period were seen in the U.S. followed by Hong Kong. These returns were supported by falling interest rates for most of the period and a continued strong demand for real estate. Continental Europe, the U.K. and Australia also saw strong absolute returns on a local currency basis on the back of supportive economic measures, but these returns were negatively impacted by the strengthening U.S. dollar during this period.

The Fund's outperformance relative to its benchmark index for the fiscal year was driven by strong positive stock selection in the U.S. and Europe. The U.S. outperformance can be attributed to a tilt towards blue-chip securities with an overweight allocation to the outperforming apartment and regional mall sectors. Results in Europe were aided by strong selection in the Scandinavian region and underweight positions to the underperforming U.K. residential sector and Southern Europe.

Country allocations also added value to the portfolio. An overweight position to Hong Kong real estate companies and an underweight position to Japan contributed positively to the Fund's results. Hong Kong real estate companies performed well in the final three quarters of 2014, and the country's residential and office market fundamentals were strengthening as the year drew to a close. Japanese real estate companies were negatively impacted during the fiscal year by the government's implementation of new sales taxes on consumers and small businesses in the second quarter of 2014, and by weak results from Japanese development companies. The weakness of the yen versus the U.S. dollar also helped the Fund's relative performance since the Fund was underweight to Japan.

The Fund's portfolio currently is tilted toward companies that we believe have better quality assets, management teams capable of adding shareholder value, and strong capital structures with financial flexibility. We think these characteristics should enable these companies to take advantage of opportunities in a recovering real estate market. In addition, we believe their strong operating earnings growth should help offset headwinds from a rising interest rate environment.

Market outlook

We believe favorable economic and capital market conditions are supporting the real estate sector. In our view the global economic landscape remains in a low-growth mode, with some developed markets getting stronger and emerging markets slowing. We think lower oil prices are very supportive for the majority of the world's consumers. Central banks appear accommodative and interest rate and inflation expectations are low and stable. We think interest rates could increase somewhat later in the year as regional economies improve.

Real estate fundamentals remain generally positive, with moderate economic growth driving healthy incremental demand in many markets and producing growth in market rents and occupancies. New supply appears under control in most markets, and the better real estate companies, in our estimation, are finding external growth opportunities. The acquisition environment remains difficult due to intense competition for quality assets. Property values have recovered since the global financial crisis and in many markets are at or above pre-recession levels; capitalization rates continue to compress for prime properties.

We believe improving real estate fundamentals will lead to solid mid- to high-single-digit earnings and dividend growth for global real estate companies over the next several years.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investment risks associated with investing in real estate securities, in addition to other risks, include rental income fluctuation, depreciation, property tax value changes and differences in real estate market values.

Because the Fund invests more than 25% of its total assets in the real estate industry, it may be more susceptible to a single economic, regulatory, or technical occurrence than a fund that does not concentrate its investments in this industry.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets.

The Fund is non-diversified, meaning that it may invest a significant portion of its total assets in a limited number of issuers, and a decline in value of those investments would cause the Fund's overall value to decline greater than that of a more diversified portfolio. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Global Real Estate Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Global Real Estate Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	98.1%
Financials	96.6%
Telecommunication Services	1.5%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

Lipper Rankings

Category: Lipper Global Real Estate Funds	Rank	Percentile
1 Year	35/139	25

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Country Weightings

North America	54.9%
United States	51.4%
Other North America	3.5%
Pacific Basin	23.5%
Japan	10.8%
Hong Kong	5.9%
Australia	4.9%
Other Pacific Basin	1.9%
Europe	17.5%
United Kingdom	7.0%
Other Europe	10.5%
Bahamas/Caribbean	2.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

Top 10 Equity Holdings

Company	Country	Sector	Industry
Simon Property Group, Inc.	United States	Financials	Retail REITs
Equity Residential	United States	Financials	Residential REITs
Sun Hung Kai Properties Ltd.	Hong Kong	Financials	Real Estate Development
AvalonBay Communities, Inc.	United States	Financials	Residential REITs
Mitsubishi Estate Co. Ltd.	Japan	Financials	Real Estate Development
Mitsui Fudosan Co. Ltd.	Japan	Financials	Real Estate Development
Public Storage, Inc.	United States	Financials	Specialized REITs
Land Securities Group plc	United Kingdom	Financials	Diversified REITs
Boston Properties, Inc.	United States	Financials	Office REITs
Ventas, Inc.	United States	Financials	Specialized REITs

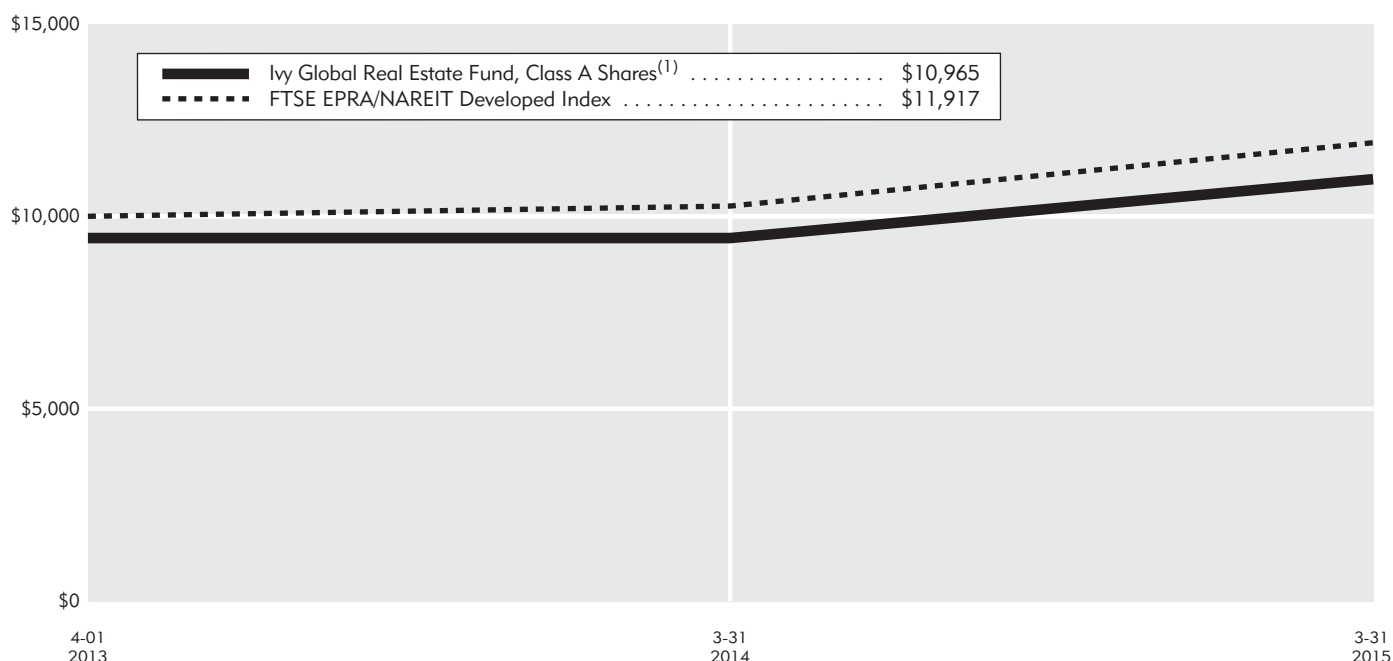
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Real Estate Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I	Class R	Class Y
1-year period ended 3-31-15	9.62%	11.05%	14.92%	16.14%	15.40%	16.32%
5-year period ended 3-31-15	—	—	—	—	—	—
10-year period ended 3-31-15	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁵⁾	4.72%	5.23%	6.66%	7.71%	7.08%	8.23%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-1-13 for Class A shares, 4-1-13 for Class B shares, 4-1-13 for Class C shares, 4-1-13 for Class I shares, 4-1-13 for Class R shares and 4-1-13 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Global Real Estate Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Australia			Financials (Continued)			Norway		
Financials – 4.9%			Deutsche EuroShop AG	4	\$ 176	Financials – 0.6%		
DEXUS Property Group	66	\$ 381	LEG Immobilien AG	4	308	Entra ASA (A)	19	\$ 197
Investa Office Fund	42	125			1,032			
Scentre Group	240	683				Total Norway – 0.6%		\$ 197
Westfield Corp.	66	479				Singapore		
		1,668	Total Germany – 3.0%		\$1,032	Financials – 1.9%		
Total Australia – 4.9%		\$1,668	Hong Kong			CapitaCommercial Trust	67	86
Belgium			Financials – 5.9%			CapitaLand Ltd.	76	197
Financials – 0.6%			Great Eagle Holdings Ltd.	15	53	CapitaMall Trust	78	124
Befimmo N.V./S.A.	2	164	Sun Hung Kai Properties			Global Logistic Properties		
Warehouses De Pauw Comm.			Ltd.	90	1,388	Ltd.	93	179
VA/SCA	—*	36	Swire Properties Ltd.	177	577	Mapletree Commercial Trust . .	65	76
		200			2,018			662
Total Belgium – 0.6%		\$ 200	Total Hong Kong – 5.9%		\$2,018	Total Singapore – 1.9%		\$ 662
Bermuda			Ireland			Sweden		
Financials – 2.2%			Financials – 0.2%			Financials – 0.8%		
Hongkong Land Holdings			Green plc	33	56	Fabege AB	15	219
Ltd.	98	740				Hufvudstaden AB	3	46
			Total Ireland – 0.2%		\$ 56			265
Total Bermuda – 2.2%		\$ 740	Japan			Total Sweden – 0.8%		\$ 265
Canada			Financials – 10.8%			Switzerland		
Financials – 3.3%			Daiwa Office Investment			Financials – 0.7%		
Allied Properties	1	42	Corp.	—*	135	PSP Swiss Property Ltd.,		
Calloway	7	169	Global One Corp.	—*	100	Registered Shares	2	233
Canadian Apartments			Kenedix Office Investment					
Properties	5	182	Corp.	—*	225	Total Switzerland – 0.7%		\$ 233
First Capital Realty, Inc.	11	178	Kenedix Retail REIT Corp.	—*	74	United Kingdom		
H&R Real Estate Investment			Mitsubishi Estate Co. Ltd.	53	1,232	Financials – 7.0%		
Trust	12	226	Mitsui Fudosan Co. Ltd.	41	1,206	British Land Co. plc (The)	13	162
Northern Property	4	73	ORIX JREIT, Inc.	—*	215	Capital & Regional plc	167	143
RioCan	12	265	Sumitomo Realty &			Derwent London plc	6	305
		1,135	Development Co., Ltd.	14	505	Hammerson plc	30	292
Total Canada – 3.3%		\$1,135			3,692	Hansteen Holdings plc	74	134
Finland			Total Japan – 10.8%		\$3,692	Land Securities Group plc	48	884
Financials – 0.6%			Jersey			Metric Property Investments		
Citycon Oyj	62	201	Financials – 0.1%			plc	88	211
			Atrium European Real Estate			Quintain Estates &		
Total Finland – 0.6%		\$ 201	Ltd.	10	48	Development plc (A)	78	110
France			Total Jersey – 0.1%		\$ 48	Shaftesbury plc	14	168
Financials – 3.3%			Mexico					2,409
Gecina	2	241	Financials – 0.2%			Total United Kingdom – 7.0%		\$2,409
Klepierre	8	399	Prologis Property Mexico S.A.			United States		
Unibail-Rodamco	2	496	de C.V.	33	59	Financials – 49.9%		
		1,136				Acadia Realty Trust	3	101
Total France – 3.3%		\$1,136	Total Mexico – 0.2%		\$ 59	Alexandria Real Estate Equities,		
Germany			Netherlands			Inc.	2	199
Financials – 3.0%			Financials – 0.6%			Associated Estates Realty		
alstria office AG	8	115	Vastned Retail N.V.	4	219	Corp.	2	44
Deutsche Annington						AvalonBay Communities,		
Immobilien SE	13	433	Total Netherlands – 0.6%		\$ 219	Inc.	7	1,273
						BioMed Realty Trust, Inc.	13	292
						Boston Properties, Inc.	6	880

SCHEDULE OF INVESTMENTS

Ivy Global Real Estate Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS (Continued)

	Shares	Value
Financials (Continued)		
Brixmor Property Group, Inc. . .	9	\$ 234
Camden Property Trust	11	831
CBL & Associates Properties, Inc.	19	368
Corporate Office Properties Trust	4	112
Douglas Emmett, Inc.	4	106
Duke Realty Corp.	16	339
EastGroup Properties, Inc.	2	90
Equity Residential	19	1,509
Federal Realty Investment Trust	5	743
General Growth Properties, Inc.	15	434
HCP, Inc.	6	255
Health Care, Inc.	2	179
Healthcare Realty Trust, Inc. . .	6	180
Hudson Pacific Properties, Inc.	6	184
LaSalle Hotel Properties	14	555
New York, Inc.	17	176
Paramount Group, Inc.	14	272
ProLogis	11	491
Public Storage, Inc.	5	890
Ramco-Gershenson Properties Trust	6	118

COMMON STOCKS (Continued)

	Shares	Value
Financials (Continued)		
Retail Properties of America, Inc.	14	\$ 227
RLJ Lodging Trust	13	414
Senior Housing Properties Trust	10	216
Simon Property Group, Inc. . .	13	2,491
SL Green Realty Corp.	2	309
Sunstone Hotel Investors, Inc.	21	350
Taubman Centers, Inc.	6	472
Terreno Realty Corp.	3	63
Ventas, Inc.	12	877
Vornado Realty Trust	7	781
		17,055
Telecommunication Services – 1.5%		
American Tower Corp., Class A	5	503
Total United States – 51.4%		\$17,558
TOTAL COMMON STOCKS – 98.1%		\$33,528
(Cost: \$30,051)		

SHORT-TERM SECURITIES

	Principal	Value
Master Note – 1.0%		
Toyota Motor Credit Corp. 0.130%, 4–1–15 (B)	\$329	\$ 329
TOTAL SHORT-TERM SECURITIES – 1.0%		329
(Cost: \$329)		
TOTAL INVESTMENT SECURITIES – 99.1%		\$33,857
(Cost: \$30,380)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.9%		306
NET ASSETS – 100.0%		\$34,163

Notes to Schedule of Investments

*Not shown due to rounding.

(A)No dividends were paid during the preceding 12 months.

(B)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks			
Financials	\$32,989	\$ 36	\$ —
Telecommunication Services	503	—	—
Total Common Stocks	\$33,492	\$ 36	\$ —
Short-Term Securities	—	329	—
Total	\$33,492	\$365	\$ —

During the period ended March 31, 2015, securities totaling \$49 were transferred from Level 1 to Level 2 due to decreased availability of observable market data due to decreased market activity or information for these securities. Transfers into Level 2 represent the value at the beginning of the reporting period. There were no transfers between any other levels during the period.

The following acronym is used throughout this schedule:

REIT = Real Estate Investment Trusts

Market Sector Diversification

(as a % of net assets)

Financials	96.6%
Telecommunication Services	1.5%
Other+	1.9%

+Includes cash and other assets (net of liabilities), and cash equivalents



Keith R. Pauley

Ivy Global Risk-Managed Real Estate Fund is subadvised by LaSalle Investment Management Securities, LLC. Below, Keith R. Pauley, CFA, Stanley J. Kraska, Jr., George J. Noon, CFA, and Ernst-Jan de Leeuw, portfolio managers of the Ivy Global Risk-Managed Real Estate Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Messrs. Pauley and Kraska have managed the Fund since inception and each has 29 years of industry experience. Mr. Noon has managed the Fund since inception and has 27 years of industry experience. Mr. de Leeuw has managed the Fund since inception and has 19 years of industry experience. Effective May 2015, Ernst-Jan de Leeuw no longer serves as a manager of the Fund and Matthew Sgrizzi, CFA, of LaSalle, became a manager of the Fund.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Global Risk-Managed Real Estate Fund (Class A shares at net asset value)	16.77%
Ivy Global Risk-Managed Real Estate Fund (Class A shares including sales charges)	10.09%
Benchmark(s) and/or Lipper Category	
FTSE EPRA/NAREIT Developed Index	16.06%
(generally reflects the performance of real estate stocks in developed countries)	
Lipper Global Real Estate Funds Universe Average	14.84%
(generally reflects the performance of the universe of funds with similar investment objectives)	

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



Stanley J. Kraska, Jr.



George J. Noon



Ernst-Jan de Leeuw

Low-growth, low-interest rate world

The past year was dominated by concerns about economic growth in many parts of the world, with the increased strength of the U.S. economy largely offset by weakness in continental Europe and most of the Asia-Pacific region. Early concerns that the U.S. Federal Reserve (Fed) would rapidly raise interest rates gave way to a consensus that efforts to spur global growth were vital. In the last several quarters, monetary stimulus actions have been initiated in more than 20 countries around the world. Interest rates are negative in some instances and remain close to historic lows in many countries. Inflation remains low; when one includes energy prices, we believe potential deflation is a factor in several economies.

Public equities have benefitted in this environment, particularly in sectors that have provided higher and relatively more stable income streams, such as real estate. In the past year, global real estate stocks (as measured by the FTSE EPRA/NAREIT Developed Index) have produced a return that is well above that of global equities (as measured by the MSCI World Index). Capital markets were very active in the period, with more than \$70 billion in equity and nearly \$90 billion in corporate debt issued by global real estate companies around the world.

Stock selections, country allocations play key roles

The Fund finished the fiscal year with a strong absolute return, greater than the returns of its benchmark index and peer group average.

The strongest absolute returns in global real estate securities during the period were seen in the U.S. followed by Hong Kong. These returns were supported by falling interest rates for most of the period and a continued strong demand for real estate. Continental Europe, the U.K. and Australia also saw strong absolute returns on a local currency basis on the back of supportive economic measures, but these returns were negatively impacted by the strengthening U.S. dollar during this period.

The Fund seeks to provide superior risk-adjusted returns relative to its peers and benchmark over a full market cycle by maintaining a lower-risk profile than its investment universe. We attempt to manage downside risk — the risk of material relative loss of value in an economic and/or capital market downturn — by building a portfolio of companies that we believe have a reduced risk profile. To do this, we screen the global real estate securities universe for certain factors that we believe tend to increase downside risk and drive volatility, such as higher leverage, higher business risk (too much development and not enough ownership), and higher-risk property types (such as hotels and home builders) when compared to the broader universe of global real estate securities.

The Fund's risk-managed strategy drove its outperformance relative to the benchmark during most of the Fund's fiscal year. In particular, after strong performance in 2013, the prospects for Asian development companies were negatively impacted by the continued slowdown in China and the regional economy. These companies generally are excluded from the Fund, which therefore was beneficial to relative performance. Furthermore, lower interest rates helped property investment companies, which are overweight in the Fund.

Outperformance for the fiscal year also can be attributed to stock selection in the U.S. The Fund's outperformance in the U.S. was driven by a tilt towards blue-chip securities with an overweight allocation to the outperforming apartments and regional malls sectors, as well as positive selection within the office sector.

Country allocation also added value to the portfolio. An underweight position to Japan contributed positively to results for the year. Japanese real estate companies were negatively impacted during this period by the government's implementation of new sales taxes on consumers and small businesses in the second quarter of 2014, in addition to the country's performance being dragged down by weak results from Japanese development companies. The weakness of the yen versus the U.S. dollar also helped the Fund's relative performance versus its benchmark since the Fund was underweight to Japan.

The Fund's portfolio currently is tilted toward companies that we believe have better quality assets, management teams capable of adding shareholder value, and strong capital structures with financial flexibility. We think these characteristics should enable these companies to take advantage of opportunities in a recovering real estate market. In addition, we think their strong operating earnings growth will help offset headwinds from a rising interest rate environment.

Market outlook

We believe favorable economic and capital market conditions are supporting the real estate sector. In our view, the global economic landscape remains in a low-growth mode, with some developed markets getting stronger and emerging markets slowing. We think lower oil prices are very supportive for the majority of the world's consumers. Central banks appear accommodative and interest rate and inflation expectations are low and stable. We think interest rates could increase somewhat later in the year as regional economies improve.

Real estate fundamentals remain generally positive, with moderate economic growth driving healthy incremental demand in many markets and producing growth in market rents and occupancies. New supply appears under control in most markets, and the better real estate companies, in our estimation, are finding external growth opportunities. The acquisition environment remains difficult due to intense competition for quality assets. Property values have recovered since the global financial crisis and in many markets are at or above pre-recession levels; capitalization rates continue to compress for prime properties.

We believe improving real estate fundamentals will lead to solid mid- to high-single-digit earnings and dividend growth for global real estate companies over the next several years.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investment risks associated with investing in real estate securities, in addition to other risks, include rental income fluctuation, depreciation, property tax value changes and differences in real estate market values.

Because the Fund invests more than 25% of its total assets in the real estate industry, it may be more susceptible to a single economic, regulatory, or technical occurrence than a fund that does not concentrate its investments in this industry.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets.

The Fund is non-diversified, meaning that it may invest a significant portion of its total assets in a limited number of issuers, and a decline in value of those investments would cause the Fund's overall value to decline greater than that of a more diversified portfolio. These and other risks are more fully described in the Fund's prospectus.

There is no guarantee that the Ivy Global Risk-Managed Real Estate Fund will not decline in value in comparison with funds that do not use a risk-managed approach.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Global Risk-Managed Real Estate Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Global Risk-Managed Real Estate Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	98.8%
Financials	98.8%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.2%

Lipper Rankings

Category: Lipper Global Real Estate Funds	Rank	Percentile
1 Year	19/139	14

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Country Weightings

North America	55.6%
United States	51.6%
Canada	4.0%
Pacific Basin	21.8%
Japan	9.2%
Australia	7.2%
Other Pacific Basin	5.4%
Europe	18.9%
United Kingdom	8.1%
Germany	4.2%
Other Europe	6.6%
Bahamas/Caribbean	2.5%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.2%

Top 10 Equity Holdings

Company	Country	Sector	Industry
Simon Property Group, Inc.	United States	Financials	Retail REITs
Equity Residential	United States	Financials	Residential REITs
Public Storage, Inc.	United States	Financials	Specialized REITs
AvalonBay Communities, Inc.	United States	Financials	Residential REITs
Federal Realty Investment Trust	United States	Financials	Retail REITs
Land Securities Group plc	United Kingdom	Financials	Diversified REITs
Boston Properties, Inc.	United States	Financials	Office REITs
Scentre Group	Australia	Financials	Retail REITs
Ventas, Inc.	United States	Financials	Specialized REITs
Hongkong Land Holdings Ltd.	Bermuda	Financials	Real Estate Development

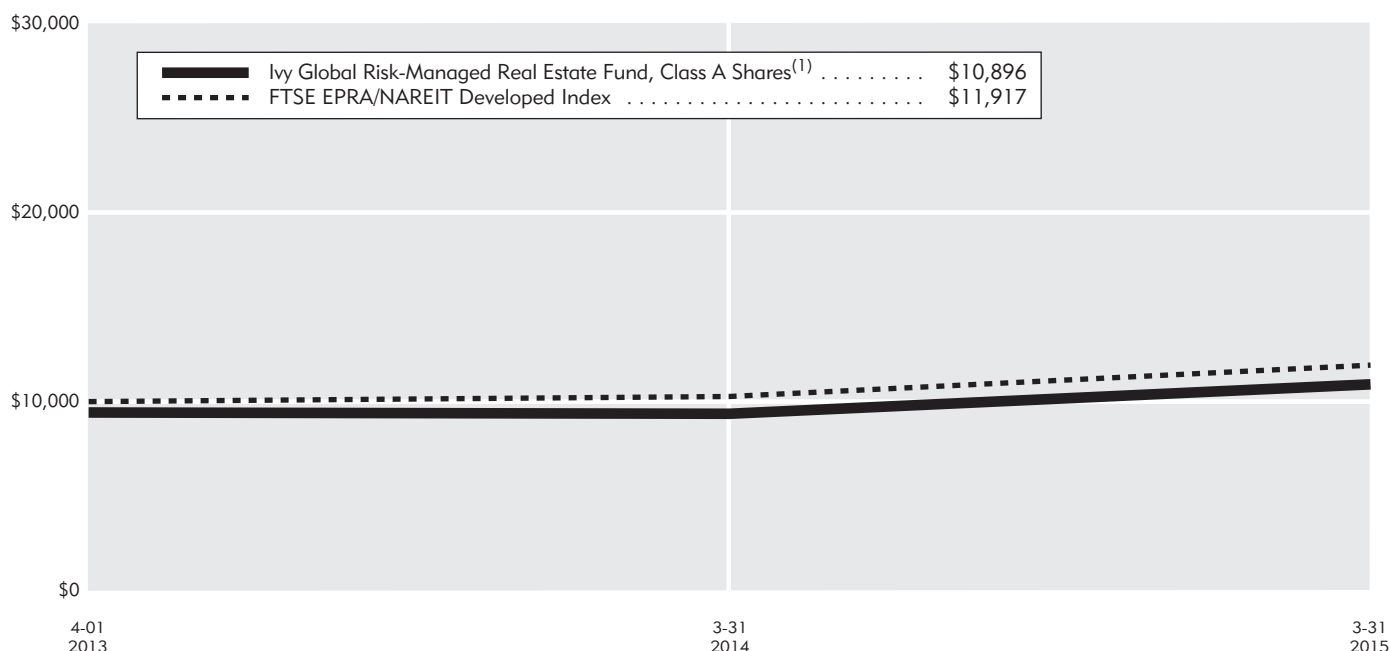
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Risk-Managed Real Estate Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I	Class R	Class Y
1-year period ended 3-31-15	10.09%	11.74%	15.72%	16.79%	16.15%	16.87%
5-year period ended 3-31-15	—	—	—	—	—	—
10-year period ended 3-31-15	—	—	—	—	—	—
Since inception of Class through 3-31-15 ⁽⁵⁾	4.39%	5.13%	6.55%	7.49%	6.85%	7.59%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-1-13 for Class A shares, 4-1-13 for Class B shares, 4-1-13 for Class C shares, 4-1-13 for Class I shares, 4-1-13 for Class R shares and 4-1-13 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Global Risk-Managed Real Estate Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Australia			Financials (Continued)			Financials (Continued)		
Financials – 7.2%			Nippon Building Fund, Inc. . . .	—*	\$ 1,442	BioMed Realty Trust,		
DEXUS Property Group	179	\$ 1,033	Nippon Prologis, Inc.	—*	642	Inc.	24	\$ 545
Investa Office Fund	116	344	ORIX JREIT, Inc.	1	1,266	Boston Properties, Inc.	14	1,913
Scentre Group	659	1,877			5,861	Camden Property Trust	20	1,547
Westfield Corp.	181	1,318				Corporate Office Properties		
		4,572				Trust	14	412
Total Australia – 7.2%		\$4,572	Total Japan – 9.2%		\$5,861	Douglas Emmett, Inc.	9	270
Bermuda			Jersey			EastGroup Properties,		
Financials – 2.5%			Financials – 1.0%			Inc.	8	500
Hongkong Land Holdings			Atrium European Real Estate			Equity One, Inc.	15	399
Ltd.	212	1,597	Ltd.	136	634	Equity Residential	35	2,748
						Federal Realty Investment		
Total Bermuda – 2.5%		\$1,597	Total Jersey – 1.0%		\$ 634	Trust	14	2,121
Canada			Netherlands			HCP, Inc.	15	638
Financials – 4.0%			Financials – 1.0%			Health Care, Inc.	6	437
Allied Properties	11	352	Vastned Retail N.V.	13	620	Healthcare Realty Trust,		
Boardwalk	2	111				Inc.	12	337
Calloway	25	579	Total Netherlands – 1.0%		\$ 620	Hudson Pacific Properties,		
Canadian Apartments			Singapore			Inc.	13	431
Properties	17	642	Financials – 2.1%			Macerich Co. (The)	8	704
RioCan	38	878	CapitaCommercial Trust	335	430	New York, Inc.	32	334
		2,562	CapitaMall Trust	362	580	Paramount Group, Inc.	29	554
Total Canada – 4.0%		\$2,562	Mapletree Commercial Trust . .	226	264	ProLogis	21	904
France			Suntec	61	82	Public Storage, Inc.	13	2,517
Financials – 3.1%					1,356	Ramco-Gershenson		
Gecina	8	1,123	Total Singapore – 2.1%		\$1,356	Properties Trust	17	308
Unibail-Rodamco	3	842	Switzerland			Retail Properties of		
		1,965	Financials – 1.5%			America, Inc.	26	425
Total France – 3.1%		\$1,965	PSP Swiss Property Ltd.,			Senior Housing Properties		
Germany			Registered Shares	10	933	Trust	18	406
Financials – 4.2%			Total Switzerland – 1.5%		\$ 933	Simon Property Group,		
alstria office AG	75	1,051	United Kingdom			Inc.	26	5,032
Deutsche EuroShop AG	14	686	Financials – 8.1%			Taubman Centers, Inc.	20	1,543
LEG Immobilien AG	11	900	Derwent London plc	15	764	Terreno Realty Corp.	7	159
		2,637	Hammerson plc	76	749	Ventas, Inc.	24	1,758
Total Germany – 4.2%		\$2,637	Hansteen Holdings plc	290	526	Vornado Realty Trust	12	1,376
Hong Kong			Land Securities Group plc	111	2,061	Washington	16	452
Financials – 3.3%			Shaftesbury plc	82	1,013			32,815
Link (The)	132	811			5,113	Total United States – 51.6%		\$32,815
Swire Properties Ltd.	403	1,311	Total United Kingdom – 8.1%		\$5,113	TOTAL COMMON		
		2,122	United States			STOCKS – 98.8%		\$62,787
Total Hong Kong – 3.3%		\$2,122	Financials – 51.6%			(Cost: \$56,870)		
Japan			Acadia Realty Trust	8	263	SHORT-TERM		
Financials – 9.2%			Alexandria Real Estate Equities,			SECURITIES	Principal	
Daiwa Office Investment			Inc.	5	453	Master Note – 0.6%		
Corp.	—*	632	American Campus			Toyota Motor Credit Corp.		
Hulic, Inc.	—*	466	Communities, Inc.	18	789	0.130%, 4–1–15 (A)	\$389	389
Kenedix Office Investment			Associated Estates Realty					
Corp.	—*	1,267	Corp.	3	85	TOTAL SHORT-TERM		
Kenedix Retail REIT Corp.	—*	146	AvalonBay Communities,			SECURITIES – 0.6%		\$ 389
			Inc.	14	2,455	(Cost: \$389)		
						TOTAL INVESTMENT		
						SECURITIES – 99.4%		\$63,176
						(Cost: \$57,259)		
						CASH AND OTHER ASSETS, NET		
						OF LIABILITIES – 0.6%		374
						NET ASSETS – 100.0%		\$63,550

SCHEDULE OF INVESTMENTS

Ivy Global Risk-Managed Real Estate Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

*Not shown due to rounding.

(A)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$62,787	\$ —	\$ —
Short-Term Securities	—	389	—
Total	<u>\$62,787</u>	<u>\$ 389</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronym is used throughout this schedule:

REIT = Real Estate Investment Trusts

Market Sector Diversification

(as a % of net assets)

Financials	98.8%
Other+	1.2%

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Matthew K. Richmond

Ivy Real Estate Securities Fund is subadvised by Advantus Capital Management, Inc. Below, Matthew K. Richmond and Lowell R. Bolken, CFA, portfolio managers of Ivy Real Estate Securities Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Richmond has managed the Fund since 2014 and has 20 years of industry experience. Mr. Bolken has managed the Fund since 2005 and has 25 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Real Estate Securities Fund (Class A shares at net asset value)	25.19%
Ivy Real Estate Securities Fund (Class A shares including sales charges)	17.97%
Benchmark(s) and/or Lipper Category	
Wilshire U.S. Real Estate Securities Index (generally reflects the performance of securities representing the commercial real estate market)	25.24%
Lipper Real Estate Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	22.21%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



Lowell R. Bolken

Trio of factors provide support

A trio of key factors — improving U.S. economic growth, strengthening labor markets and low interest rates — created a supportive scenario for commercial real estate during the fiscal year. Rapidly improving consumer sentiment as the year progressed added another positive element to the mix.

Overall, the commercial real estate market was quite healthy as the fiscal year came to a close, with occupancies and rental rates across all major property types showing continued improvement. There was limited new construction activity taking place during the fiscal year, which we believe set the table for a potentially longer-than-average fundamental recovery.

The sector also was buoyed by strong capital flows from foreign institutional investors looking for relatively “safe haven” investments in a stable and growing economy.

A year of positive returns

Real estate stocks overall delivered strong positive performance in the year. The Fund also had a large positive return for the year, nearly matching its benchmark index and outperforming its peer group average. The Fund benefitted from an overweight in large and mid-cap real estate investment trusts (REITs), which outperformed smaller-sized companies. The Fund emphasized companies with below-average debt levels and these companies also outperformed the index. Geographically, holdings were focused in companies with a bias toward major urban, coastal and sunbelt markets. Favorable stock selection within owners of regional malls, offices, self-storage facilities, and apartments contributed significantly to relative performance. Modest detractors from performance included a decision to overweight owners of warehouse facilities, most of which underperformed because of investor nervousness about potential excess new construction; and an underweight to data centers, whose stock prices rebounded during the year from dismal performance in 2013.

The Fund was positioned to potentially benefit from an environment characterized by accelerating growth in U.S. gross domestic product and employment, stable to modestly rising interest rates and healthy overall U.S. capital markets. With the exception of rising interest rates, all of these conditions were realized during the year and positively impacted the Fund’s holdings.

A common theme among individual holdings within the Fund were companies we believe own well-located, high-quality properties; feature stable balance sheets; are exhibiting improving property fundamentals; and have above-average cash-flow growth prospects. From a property-type perspective, the Fund focused on owners of Class A regional malls, neighborhood and community shopping centers, urban-centric office buildings, apartments and self-storage facilities.

Outlook for year ahead

Many of the same themes that influenced 2014 returns have carried over into 2015, and could provide continued tailwinds for real estate stocks. We think the commercial real estate market is quite healthy, with occupancies and rental rates across all major property types showing steady improvement. Several property sectors are at or near record-high occupancy. There also is limited new construction taking place, which we believe sets the stage for a potentially longer — and hopefully stronger — than average recovery cycle. Overall, there is little today that concerns us regarding operating fundamentals within commercial real estate. If current conditions persist, we believe 2015 cash flow growth from REITs can average 8-10% and may lead to another year of above-average dividend increases.

While investors were confronted late in the fiscal year with a series of mixed economic data, one consistent theme has been the strengthening U.S. labor market. Although wages have yet to show material improvement, the economy is creating additional jobs across a wide section of industries. We think this is an encouraging signal for continued real estate space demand. We believe strengthening demand is likely to result in higher occupancies and rental rates across the commercial property sector. Most notably, we think companies that own shorter lease duration assets such as hotels, apartments, industrial and self-storage facilities will be able to more quickly reset rental rates to current market levels than owners of other property types. We also believe that an improving labor market may provide support for consumer spending patterns and result in higher occupancies at community shopping centers.

We continue to see investors who are seeking yield put a focus on commercial real estate assets in the private marketplace, with several recent large transactions suggesting that certain public REITs are trading below the private market value of their assets. In our view, this notion was reinforced late in 2014 by one of the world's largest investors announcing the sale of its warehouse portfolio to a private buyer, rather than executing an initial public offering. We think this theme is likely to be magnified through public-to-private buyout activity, as well as public-to-public mergers throughout 2015. This type of activity is already being promoted by an outspoken group of small, yet prominent, activist shareholders. A very public struggle recently emerged between two of the nation's largest regional mall owners. While the suitor failed to gain control of the targeted company, we do think other mergers will be completed this year.

"Fed Drama" has become the latest catchphrase, as seemingly the entire investment world was fixated during the year on U.S. Federal Reserve (Fed) Chair Janet Yellen's interpretation of the word "patient," which the Fed had used in the past to describe its approach to deciding when to increase interest rates. In our view, how aggressively the Fed exits its accommodative monetary policy will have broad implications on all capital markets, including real estate. Upward volatility in the 10-year U.S. Treasury yield represents a risk to the sector. Recently, REIT share prices have shown a higher correlation with 10-year Treasury yield movements than had previously been the case. While many investors have extrapolated this near-term relationship as the norm, in our opinion, the two have shown a modest correlation at best, based on a review of data going back to 1997. In today's ultra-low-rate environment, many investment alternatives (not just REITs) have become more highly correlated to interest rate movements. Thus, as we look toward the Fed's eventual actions to raise interest rates, we think it will be important to consider the influence any policy shift has on longer-dated Treasury yields. We continue to believe that the long end of the curve will remain near currently low levels for an extended period.

While mindful of these conditions, we believe that over time, REIT returns will be influenced primarily by underlying economic and real estate operating conditions rather than by prevailing interest rate levels or movements. We believe those underlying conditions point toward a continued favorable environment for real estate stocks.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investment risks associated with real estate securities, in addition to other risks, include rental income fluctuation, depreciation, property tax value changes and differences in real estate market values. Real estate securities are subject to interest-rate risk and, as such, the Fund's net asset value may fall as interest rates rise.

Because the Fund invests more than 25% of its total assets in the real estate industry, it may be more susceptible to a single economic, regulatory, or technical occurrence than a fund that does not concentrate its investments in this industry. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The indexes noted are unmanaged, include reinvested dividends and do not include fees. One cannot invest directly in an index, nor is an index representative of Ivy Real Estate Securities Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Real Estate Securities Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	99.1%
Financials	97.8%
Consumer Discretionary	1.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents⁺	0.9%

Lipper Rankings

Category: Lipper Real Estate Funds	Rank	Percentile
1 Year	46/255	18
3 Year	86/217	40
5 Year	122/172	71
10 Year	99/128	77

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Simon Property Group, Inc.	Financials	Retail REITs
Boston Properties, Inc.	Financials	Office REITs
Equity Residential	Financials	Residential REITs
AvalonBay Communities, Inc.	Financials	Residential REITs
Health Care, Inc.	Financials	Health Care REITs
Ventas, Inc.	Financials	Specialized REITs
Vornado Realty Trust	Financials	Office REITs
Essex Property Trust, Inc.	Financials	Residential REITs
Public Storage, Inc.	Financials	Specialized REITs
General Growth Properties, Inc.	Financials	Retail REITs

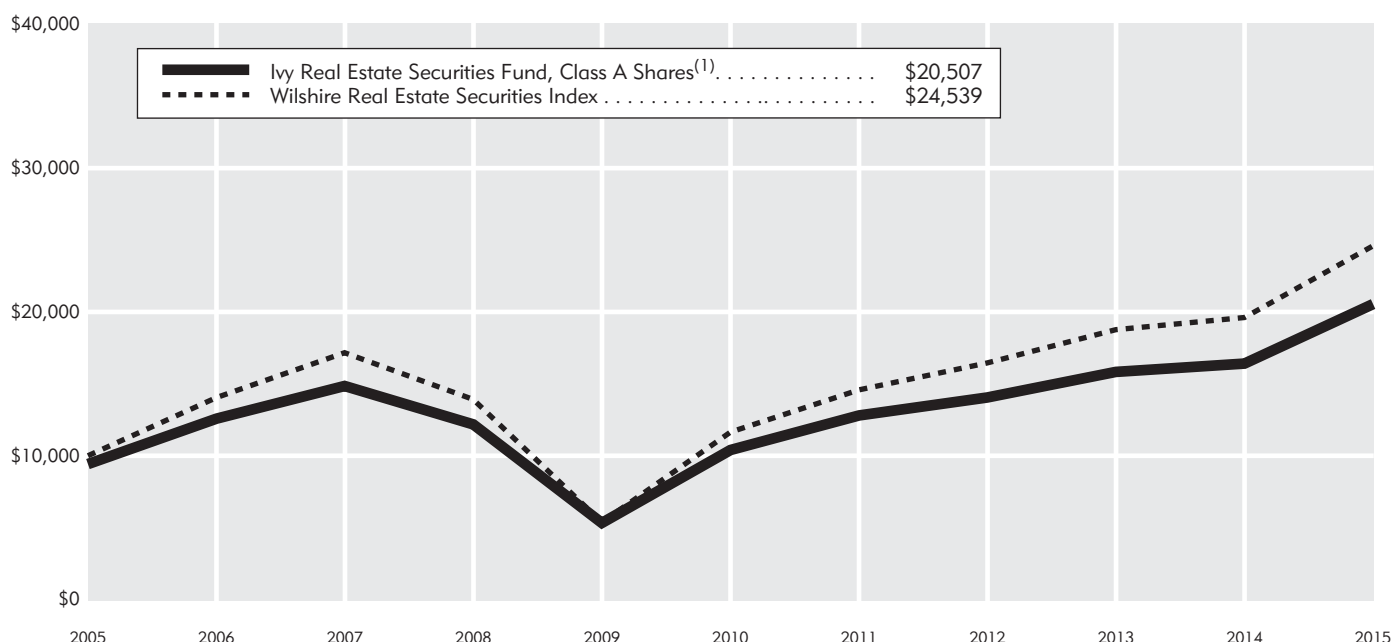
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

⁺Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Real Estate Securities Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	17.97%	19.95%	24.27%	17.68%	25.74%	24.92%	—	25.41%
5-year period ended 3-31-15	13.18%	13.15%	13.67%	13.12%	15.15%	14.46%	—	14.87%
10-year period ended 3-31-15	7.45%	7.08%	7.23%	—	—	—	—	8.48%
Since inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	3.14%	4.68%	6.82%	17.66%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-29-05 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Real Estate Securities Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Hotels, Resorts & Cruise Lines – 1.3%		
Hilton Worldwide Holdings, Inc. (A)	346	\$ 10,257
Total Consumer Discretionary – 1.3%		10,257
Financials		
Diversified REITs – 0.7%		
Cousins Properties, Inc.	525	5,569
Health Care REITs – 5.0%		
Health Care, Inc.	430	33,265
Healthcare Trust of America, Inc., Class A	207	5,772
		<u>39,037</u>
Industrial REITs – 4.7%		
DCT Industrial Trust, Inc. ...	216	7,481
EastGroup Properties, Inc.	96	5,761
ProLogis	521	22,714
		<u>35,956</u>
Office REITs – 21.6%		
Alexandria Real Estate Equities, Inc.	263	25,755
Boston Properties, Inc.	313	43,999
Duke Realty Corp.	940	20,455
Hudson Pacific Properties, Inc.	244	8,108
Kilroy Realty Corp.	132	10,044
Paramount Group, Inc.	284	5,487
SL Green Realty Corp.	165	21,123
Vornado Realty Trust	285	31,932
		<u>166,903</u>
Residential REITs – 20.7%		
American Campus Communities, Inc.	220	9,431

COMMON STOCKS (Continued)	Shares	Value
Residential REITs (Continued)		
Apartment Investment and Management Co., Class A	99	\$ 3,893
AvalonBay Communities, Inc.	214	37,296
Camden Property Trust	222	17,353
Equity Residential	512	39,847
Essex Property Trust, Inc. ...	135	31,054
Mid-America Apartment Communities, Inc.	42	3,254
UDR, Inc.	535	18,190
		<u>160,318</u>
Retail REITs – 27.4%		
Acadia Realty Trust	320	11,165
Brixmor Property Group, Inc.	274	7,283
DDR Corp.	684	12,728
Federal Realty Investment Trust	145	21,374
General Growth Properties, Inc.	874	25,831
Kimco Realty Corp.	581	15,609
Kite Realty Group Trust	530	14,933
Macerich Co. (The)	99	8,332
Regency Centers Corp.	164	11,186
Simon Property Group, Inc.	408	79,914
Urban Edge Properties	141	3,340
		<u>211,695</u>
Specialized REITs – 17.7%		
CubeSmart	274	6,613
Extra Space Storage, Inc. ...	302	20,420
Host Hotels & Resorts, Inc.	225	4,542
LaSalle Hotel Properties ...	251	9,751
Pebblebrook Hotel Trust ...	320	14,888

COMMON STOCKS (Continued)	Shares	Value
Specialized REITs (Continued)		
Public Storage, Inc.	152	\$ 29,926
RLJ Lodging Trust	80	2,492
Strategic Hotels & Resorts, Inc. (A)	784	9,745
Sunstone Hotel Investors, Inc.	301	5,018
Ventas, Inc.	454	33,153
		<u>136,548</u>
Total Financials – 97.8%		756,026
TOTAL COMMON STOCKS – 99.1%		\$766,283
(Cost: \$523,834)		
SHORT-TERM SECURITIES		
	Principal	
Commercial Paper (B) – 0.4%		
Kroger Co. (The), 0.280%, 4–1–15	\$3,935	3,935
Master Note – 0.2%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (C) ...	1,187	1,187
TOTAL SHORT-TERM SECURITIES – 0.6%		\$ 5,122
(Cost: \$5,122)		
TOTAL INVESTMENT SECURITIES – 99.7%		\$771,405
(Cost: \$528,956)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.3%		
		1,969
NET ASSETS – 100.0%		\$773,374

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)Rate shown is the yield to maturity at March 31, 2015.

(C)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$766,283	\$ —	\$ —
Short-Term Securities	—	5,122	—
Total	\$766,283	\$ 5,122	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronym is used throughout this schedule:

REIT = Real Estate Investment Trusts

See Accompanying Notes to Financial Statements.



Zachary H. Shafran

Below, Zachary H. Shafran, portfolio manager of Ivy Science and Technology Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. He has managed the Fund since February 2001 and has 26 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Science and Technology Fund (Class A shares at net asset value)	8.48%
Ivy Science and Technology Fund (Class A shares including sales load)	2.23%
Benchmark(s) and/or Lipper Category	
S&P North American Technology Sector Index (generally reflects the performance of U.S. science and technology stocks)	14.81%
Lipper Science & Technology Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	13.71%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Uncertainty continues with slow-to-moderate global growth

Equity and fixed-income markets were volatile in the fiscal year ended March 31, 2015. After a slower-than-expected start to 2014 — often blamed on poor winter weather — the U.S. economy rebounded in the second quarter. The U.S. continued to demonstrate stable growth, albeit at low levels, through the fiscal year-end. The U.S. Federal Reserve (Fed) exited quantitative easing and looks to be raising rates at some point this year. On the international front, economic growth remained sluggish despite a continued policy of central bank easing. That said, shortly after the start of 2015, international markets reacted positively as the European Central Bank (ECB) announced additional easing efforts — unveiling details of a trillion-euro bond purchases program — to begin in March.

The decline in energy prices that started mid-year 2014 gathered steam as robust North American production, in addition to the recovery of oil supplies in OPEC nations (Libya and Iraq), has overwhelmed tepid global demand for the commodity. The continued downgrading of demand growth through the year, along with OPEC's unwillingness to support price levels by curtailing output, led to the rapid decline in price levels.

On the year, information technology stocks performed well, with the Fund's benchmark index advancing approximately 15%. Key contributors included electronic components, technology hardware storage and peripherals as well as data processing and outsourced services. We believe strong balance sheet strength (large cash balances and relatively low debt levels), increases in dividend payments and strong management were key in providing stability and growth to the sector. On the health care front, political discussions and rising costs pose as a headwind for some companies in the health care sector. While challenges remain, we believe there are many investment opportunities in those companies that are able to provide innovative solutions or services to the end user.

A volatile year

The Fund posted solid absolute gains, but underperformed its benchmark and its peer-group average during the period. Poor stock selection in information technology was the main detractor to relative performance, though sector allocation also contributed to the relative decline. In terms of specific holdings, a position in Cree Inc. was the greatest detractor to performance for the year, followed by holding Acxiom Corp. Continuing the trend through most of 2014, larger legacy technology companies performed well over the course of the year and were a detriment to relative performance as those types of companies are typically not held by the Fund.

On the positive side, the Fund's "applied science and technology" investment approach benefitted performance. The Fund's allocation to health care, a sector not included in the Fund's benchmark index, was a top contributor to performance, and we believe this is one of the sectors with the greatest opportunity for innovation and growth going forward. As such, we expect to maintain the Fund's approximate 15% to 20% exposure to the sector going forward. Health care holding Vertex Pharmaceuticals enjoyed substantial stock appreciation emanating from positive results from a late-stage cystic fibrosis treatment shown to significantly improve patient lung function. As a result, it was the greatest contributor to Fund performance for the period. The stock was up more than 65%.

Additionally, biotech company Isis Pharmaceuticals was a top contributor to the Fund's performance. The stock has been in the Fund since 2008, yet we think the prospects for the company continue to be bright. The company maintains a broad pipeline of drugs to treat a wide variety of diseases, and in our view, the company's patents provide strong and extensive protection for its innovative drugs and technology. When a company is able to create novel, new therapies with significant positive outcomes, we believe people will pay for them.

Semiconductor manufacturer Micron Technology, Inc., the Fund's largest holding, was a top contributor to performance for the year, and is another example of our longer-term investment philosophy for the Fund. The company designs and builds advanced memory and semiconductor technologies. We think Micron Technology is an example of one of several of the Fund's long-term investments that began to pay off during the year.

Fund positioning

While we recognize the challenges of the world economic backdrop, we are excited about the innovation and growth that is taking place within certain companies. We believe many of the stocks in the information technology space remain relatively inexpensive and are well-positioned going forward. As confidence is restored, we believe there should be an increase in capital expenditure in various markets around the world as companies become more comfortable with the high cost transitions related to changes in internal infrastructure. The Fund had about 68% of its equity exposure in the information technology sector as of March 31, 2015.

Our exposure to health care names over the year remained relatively stable, and as of the fiscal year-end, about 19% of the Fund's equity holdings were in the health care sector. We believe managed care companies will benefit from the implementation of government initiatives. Also, in developing markets, as the standard of living increases, we believe the demand for quality health care increases as well. In our view, medical technology, biotechnology, medical records and pharmaceuticals are among the greatest innovators and early adopters of new science and technology, so we are paying particularly close attention to companies in those areas as well. We also are looking more closely at companies that may benefit from a low interest rate environment.

The "applied science and technology" holdings span several industries and sectors and make up the remainder of the Fund's equity composition, totaling approximately 13%. The Fund's cash position as of March 31, 2015 was about 6.5%. Our current cash allocation is in line with the Fund's historic average allocation. We almost always have some cash on hand in an effort to take advantage of opportunities that may present themselves or to use as a defensive measure to protect the Fund in adverse market conditions.

Seeking opportunities as global growth resumes

We believe global economic growth is fragile and is being buoyed by an extremely aggressive global monetary policy. From a central bank standpoint, Japan, Europe, Switzerland and China set a very dovish tone during the latter half of 2014. For example, Japan, which began the fourth quarter of 2014 with the most aggressive quantitative easing, increased its commitment to buy assets by 60%. In addition, early in 2015 the ECB unveiled details of a trillion-euro bond purchase program. It seems that only the Fed has moved in a direction of tighter policy. All in all, we think eventual improvement in economic growth will lead to tighter monetary and, to a lesser extent, fiscal policy across the globe. Despite fiscal concerns and other geopolitical risks, we are generally positive about the path of economic growth for the upcoming fiscal year. In mixed economic environments, we believe there are many potential investment opportunities — especially in scarce resources, data, mobility and health care — around the world. As we look at the securities of such companies, we are attracted by what we believe are good growth prospects and sound capital structures. We believe there will be a modest improvement in capital spending trends, and we are looking for an increase in mergers-and-acquisition activity as well. As always, we will carefully monitor the macroeconomic environment, but our focus remains primarily on security-specific fundamental research. Going forward, we believe this attention to bottom-up research, coupled with the innovation and transformation under way across the globe, will continue to provide investment opportunities for the Fund.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Because the Fund invests more than 25% of its total assets in the science and technology industry, the Fund's performance may be more susceptible to a single economic, regulatory or technological occurrence than a fund that does not concentrate its investments in this industry. Securities of companies within specific industries or sectors of the economy may periodically perform differently than the overall market. In addition, the Fund's performance may be more volatile than an investment in a portfolio of broad market securities and may underperform the market as a whole, due to the relatively limited number of issuers of science and technology related securities. Investment risks associated with investing in science and technology securities, in addition to other risks, include: operating in rapidly changing fields, abrupt or erratic market movements, limited product lines, markets or financial resources, management that is dependent on a limited number of people, short product cycles, aggressive pricing of products and services, new market entrants and obsolescence of existing technology. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted are unmanaged and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Science and Technology Fund.

PORTFOLIO HIGHLIGHTS

Ivy Science and Technology Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	93.4%
Information Technology	63.2%
Health Care	17.7%
Industrials	4.9%
Consumer Discretionary	3.5%
Telecommunication Services	2.1%
Utilities	0.8%
Financials	0.7%
Materials	0.5%
Warrants	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	6.6%

Country Weightings

North America	74.8%
United States	74.8%
Europe	8.9%
Pacific Basin	5.0%
Other	3.6%
Israel	3.6%
Bahamas/Caribbean	1.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	6.6%

Lipper Rankings

Category: Lipper Science & Technology Funds	Rank	Percentile
1 Year	127/158	80
3 Year	7/150	5
5 Year	13/140	10
10 Year	5/110	5

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Micron Technology, Inc.	United States	Information Technology	Semiconductors
Alliance Data Systems Corp.	United States	Information Technology	Data Processing & Outsourced Services
Vertex Pharmaceuticals, Inc.	United States	Health Care	Biotechnology
iGATE Corp.	United States	Information Technology	IT Consulting & Other Services
Euronet Worldwide, Inc.	United States	Information Technology	Data Processing & Outsourced Services
Aspen Technology, Inc.	United States	Information Technology	Application Software
Isis Pharmaceuticals, Inc.	United States	Health Care	Biotechnology
NXP Semiconductors N.V.	Netherlands	Information Technology	Semiconductors
Cerner Corp.	United States	Health Care	Health Care Technology
ACI Worldwide, Inc.	United States	Information Technology	Application Software

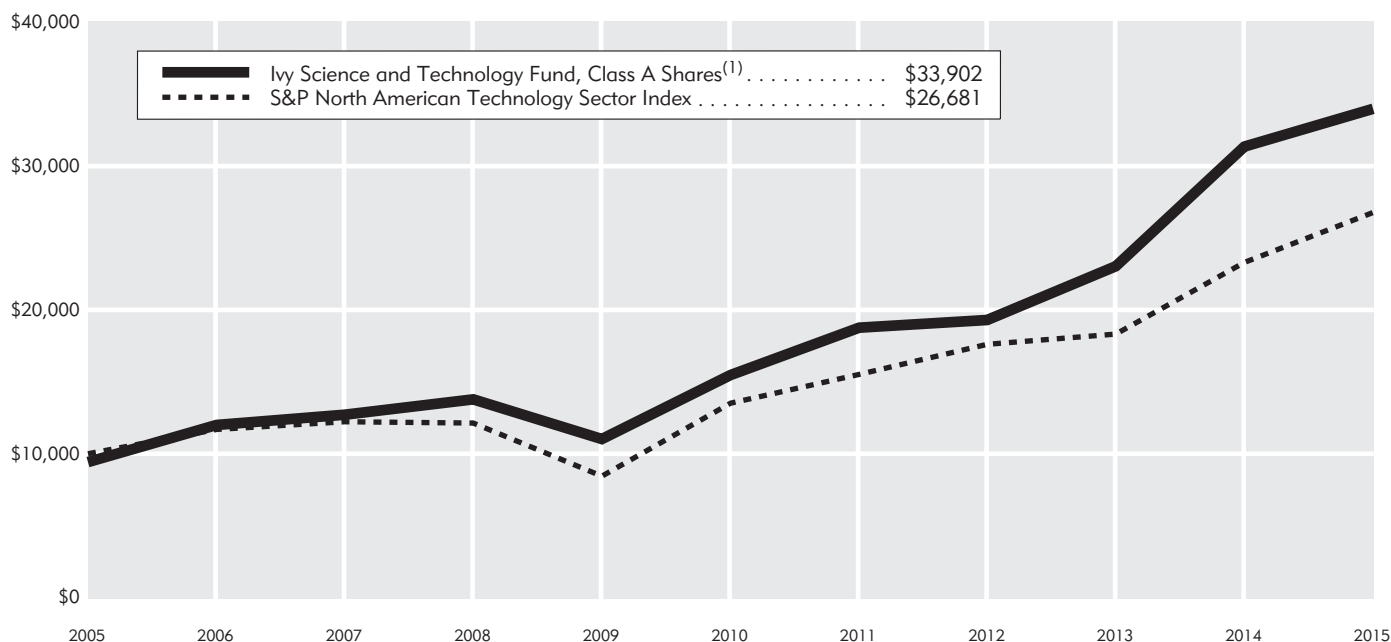
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Science and Technology Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	2.23%	3.67%	7.73%	2.06%	8.79%	8.15%	—	8.53%
5-year period ended 3-31-15	15.65%	15.97%	16.19%	15.57%	17.40%	16.71%	—	17.11%
10-year period ended 3-31-15	12.99%	12.78%	12.79%	—	—	—	—	13.77%
Since inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	11.98%	13.61%	12.27%	8.25%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-29-05 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Science and Technology Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Consumer Electronics – 3.5%		
Garmin Ltd.	1,511	\$ 71,793
Harman International Industries, Inc.	1,125	150,307
		<u>222,100</u>
Total Consumer Discretionary – 3.5%		222,100
Financials		
Office REITs – 0.7%		
QTS Realty Trust, Inc., Class A	1,214	44,205
		<u>44,205</u>
Total Financials – 0.7%		44,205
Health Care		
Biotechnology – 7.9%		
Evogene Ltd. (A)(B)	1,695	14,950
FibroGen, Inc. (A)	771	24,210
Isis Pharmaceuticals, Inc. (A)	3,091	196,797
Spark Therapeutics, Inc. (A)	119	9,216
Vertex Pharmaceuticals, Inc. (A)	2,153	254,001
		<u>499,174</u>
Health Care Equipment – 0.8%		
Avinger, Inc. (A)(B)	1,361	15,092
Cardiovascular Systems, Inc. (A)	865	33,767
		<u>48,859</u>
Health Care Facilities – 2.4%		
Tenet Healthcare Corp. (A)	3,004	148,713
Health Care Technology – 3.1%		
Cerner Corp. (A)	2,398	175,648
Inovalon Holdings, Inc., Class A (A)	780	23,557
		<u>199,205</u>
Life Sciences Tools & Services – 1.0%		
PRA Health Sciences, Inc. (A)	2,266	65,355
Pharmaceuticals – 2.5%		
Teva Pharmaceutical Industries Ltd. ADR ...	2,510	156,361
		<u>1,117,667</u>
Total Health Care – 17.7%		1,117,667
Industrials		
Building Products – 0.8%		
Advanced Drainage Systems, Inc.	1,682	50,362
Construction & Engineering – 2.2%		
Abengoa S.A., Class B (C)	13,524	49,152

COMMON STOCKS (Continued)	Shares	Value
Construction & Engineering (Continued)		
Abengoa S.A., Class B ADR	4,996	\$ 90,532
		<u>139,684</u>
Industrial Machinery – 1.9%		
Pentair, Inc.	1,875	117,887
		<u>307,933</u>
Total Industrials – 4.9%		307,933
Information Technology		
Application Software – 7.9%		
ACI Worldwide, Inc. (A)(B)	8,022	173,749
Aspen Technology, Inc. (A)(B)	5,185	199,563
Globant S.A. (A)	1,073	22,601
Mobileye N.V. (A)	1,393	58,555
Silver Spring Networks, Inc. (A)(B)	4,810	42,999
		<u>497,467</u>
Communications Equipment – 0.8%		
Ruckus Wireless, Inc. (A) ...	3,992	51,380
		<u>51,380</u>
Data Processing & Outsourced Services – 13.0%		
Alliance Data Systems Corp. (A)	1,156	342,554
Euronet Worldwide, Inc. (A)(B)	3,845	225,881
EVERTEC, Inc.	2,519	55,057
QIWI plc ADR ...	2,125	51,040
WNS (Holdings) Ltd. ADR (A)(B)	5,981	145,463
		<u>819,995</u>
Electronic Components – 1.6%		
Universal Display Corp. (A)	2,176	101,709
		<u>101,709</u>
Electronic Equipment & Instruments – 0.8%		
FLIR Systems, Inc.	1,712	53,554
		<u>53,554</u>
Internet Software & Services – 8.2%		
21Vianet Group, Inc. ADR (A)	1,677	29,614
Alibaba Group Holding Ltd. ADR (A)	691	57,544
Baidu.com, Inc. ADR (A) ...	149	31,114
Facebook, Inc., Class A (A)	1,636	134,487
Google, Inc., Class A (A) ...	138	76,327
Google, Inc., Class C (A) ...	162	88,502
Twitter, Inc. (A)	1,982	99,234
		<u>516,822</u>
IT Consulting & Other Services – 6.5%		
Axiom Corp. (A)(B)	6,256	115,680
EPAM Systems, Inc. (A)	909	55,703
iGATE Corp. (A)(B)	5,590	238,482
Virtusa Corp. (A)	93	3,865
		<u>413,730</u>

COMMON STOCKS (Continued)	Shares	Value
Semiconductor Equipment – 0.9%		
Nanometrics, Inc. (A)(B)	1,438	\$ 24,195
Photronics, Inc. (A)(B) ...	3,717	31,592
		<u>55,787</u>
Semiconductors – 21.3%		
Broadcom Corp., Class A	745	32,259
Cree, Inc. (A)	2,580	91,570
Cypress Semiconductor Corp.	6,249	88,176
Dialog Semiconductor plc (A)(C)	1,409	63,734
Intel Corp.	1,707	53,362
Marvell Technology Group Ltd.	4,890	71,886
Micron Technology, Inc. (A)	15,982	433,597
Microsemi Corp. (A)	4,071	144,114
NXP Semiconductors N.V. (A)	1,899	190,604
Rambus, Inc. (A)(B)	6,607	83,078
Semtech Corp. (A)(B)	3,400	90,584
		<u>1,342,964</u>
Systems Software – 2.2%		
Microsoft Corp.	3,417	138,930
		<u>138,930</u>
Total Information Technology – 63.2%		3,992,338
Materials		
Commodity Chemicals – 0.3%		
BioAmber, Inc. (A)(B)	2,558	22,276
		<u>22,276</u>
Fertilizers & Agricultural Chemicals – 0.2%		
Marrone Bio Innovations, Inc. (A)(B)	2,608	10,092
		<u>10,092</u>
Total Materials – 0.5%		32,368
Telecommunication Services		
Alternative Carriers – 1.0%		
Zayo Group Holdings, Inc. (A)	2,279	63,723
		<u>63,723</u>
Integrated Telecommunication Services – 1.1%		
China Unicom Ltd. (C) ...	32,182	48,983
Windstream Corp.	2,950	21,832
		<u>70,815</u>
Total Telecommunication Services – 2.1%		134,538
Utilities		
Renewable Electricity – 0.8%		
Abengoa Yield plc	1,450	48,991
		<u>48,991</u>
Total Utilities – 0.8%		48,991
TOTAL COMMON STOCKS – 93.4%		\$5,900,140
(Cost: \$3,969,985)		

SCHEDULE OF INVESTMENTS

Ivy Science and Technology Fund *(in thousands)*

MARCH 31, 2015

WARRANTS	Shares	Value
Commodity Chemicals – 0.0%		
BioAmber, Inc. (B)(D)	1,276	\$ 2,029

TOTAL WARRANTS – 0.0% **\$ 2,029**
(Cost: \$447)

SHORT-TERM SECURITIES

Principal		
Commercial Paper (E) – 6.7%		
Air Products and Chemicals, Inc.,		
0.170%, 4–8–15	\$ 7,000	7,000
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB),		
0.110%, 5–7–15	17,815	17,813
Becton Dickinson & Co.:		
0.430%, 4–2–15	13,592	13,592
0.440%, 4–7–15	15,000	14,999
Bemis Co., Inc.:		
0.460%, 4–8–15	15,000	14,998
0.510%, 4–22–15	5,500	5,498
Campbell Soup Co.,		
0.440%, 4–1–15	11,900	11,900
CVS Caremark Corp.,		
0.470%, 4–27–15	10,000	9,996
Danaher Corp.,		
0.080%, 4–10–15	5,000	5,000
Diageo Capital plc (GTD by Diageo plc),		
0.470%, 4–6–15	6,400	6,399
Ecolab, Inc.:		
0.460%, 4–8–15	9,000	8,999
0.480%, 4–9–15	5,000	4,999
0.530%, 4–20–15	12,000	11,996
General Mills, Inc.:		
0.450%, 4–13–15	5,000	4,999
0.460%, 4–15–15	13,000	12,998
J.M. Smucker Co. (The),		
0.280%, 4–1–15	3,476	3,476
Kellogg Co.:		
0.430%, 4–1–15	4,000	4,000
0.470%, 4–7–15	3,408	3,408
0.520%, 4–22–15	10,000	9,997
Kroger Co. (The),		
0.500%, 4–6–15	5,000	5,000

SHORT-TERM SECURITIES

(Continued)	Principal	Value
Commercial Paper (E) (Continued)		
National Oilwell Varco, Inc.:		
0.150%, 4–8–15	\$17,000	\$ 16,999
0.130%, 4–15–15	20,000	19,999
NBCUniversal Enterprise, Inc.:		
0.420%, 4–1–15	10,000	10,000
0.500%, 4–9–15	15,000	14,998
Northern Illinois Gas Co.:		
0.370%, 4–6–15	16,000	15,999
0.370%, 4–8–15	15,000	14,999
Novartis Finance Corp. (GTD by Novartis AG):		
0.110%, 4–6–15	10,000	10,000
0.100%, 4–9–15	10,000	10,000
PacificCorp:		
0.460%, 4–9–15	12,500	12,498
0.550%, 4–10–15	7,000	6,999
Sherwin-Williams Co. (The):		
0.360%, 4–8–15	22,000	21,999
0.300%, 4–27–15	10,000	9,998
St. Jude Medical, Inc.:		
0.320%, 4–2–15	4,000	4,000
0.330%, 4–7–15	10,000	10,000
0.260%, 5–1–15	10,000	9,998
Virginia Electric and Power Co.,		
0.500%, 4–22–15	5,000	4,998
Walgreens Boots Alliance, Inc.:		
0.480%, 4–8–15	10,000	9,999
0.550%, 4–17–15	10,000	9,997
Wisconsin Gas LLC:		
0.130%, 4–8–15	20,000	19,999
0.170%, 4–9–15	10,000	10,000
		<u>420,546</u>
Municipal Obligations – 0.2%		
Castle Rock, CO, Cert of Part, Ser 2008 (GTD by Wells Fargo Bank N.A.),		
0.040%, 4–7–15 (F) . . .	4,000	4,000

SHORT-TERM SECURITIES

(Continued)	Principal	Value
Municipal Obligations (Continued)		
City of Whittier, Hlth Fac Rev Bonds (Presbyterian Intercmnty Hosp), Ser 2009 (GTD by U.S. Bank N.A.),		
0.010%, 4–7–15 (F)	\$1,000	\$ 1,000
Fremont (Alameda Cnty, CA), Fremont Public Fin Auth (GTD by U.S. Bank N.A.),		
0.010%, 4–7–15 (F)	4,900	4,900
MS Business Fin Corp., Gulf Opp Zone Indl Dev Var Rev Bonds (Chevron USA, Inc. Proj), Ser E (GTD by Chevron Corp.),		
0.030%, 4–1–15 (F)	1,794	1,794
NY Hsng Fin Agcy, Clinton Park Phase II Hsng Rev Bonds, Ser 2011 A-1 (GTD by Wells Fargo Bank N.A.),		
0.020%, 4–7–15 (F)	916	916
		<u>12,610</u>
TOTAL SHORT-TERM SECURITIES – 6.9%		\$ 433,156
(Cost: \$433,160)		
TOTAL INVESTMENT SECURITIES – 100.3%		\$6,335,325
(Cost: \$4,403,592)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.3)%		(20,127)
NET ASSETS – 100.0%		\$6,315,198

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Deemed to be an affiliate due to the Fund owning at least 5% of the voting securities.

(C) Listed on an exchange outside the United States.

(D) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.

(E) Rate shown is the yield to maturity at March 31, 2015.

(F) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

SCHEDULE OF INVESTMENTS

Ivy Science and Technology Fund *(in thousands)*

MARCH 31, 2015

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$5,900,140	\$ —	\$ —
Warrants	2,029	—	—
Short-Term Securities	—	433,156	—
Total	<u>\$5,902,169</u>	<u>\$ 433,156</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

REIT = Real Estate Investment Trust

Country Diversification			
(as a % of net assets)			
United States	74.8%	Spain	2.2%
Israel	3.6%	United Kingdom	1.9%
Netherlands	3.0%	Bermuda	1.1%
China	2.7%	Germany	1.0%
India	2.3%	Other Countries	0.8%
		Other+	6.6%

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

Ivy Funds

AS OF MARCH 31, 2015

(In thousands, except per share amounts)	Ivy Asset Strategy Fund ⁽¹⁾	Ivy Balanced Fund	Ivy Energy Fund	Ivy Global Natural Resources Fund	Ivy Global Real Estate Fund	Ivy Global Risk-Managed Real Estate Fund	Ivy Real Estate Securities Fund
ASSETS							
Investments in unaffiliated securities at value +	\$22,159,262	\$2,538,573	\$433,608	\$ 1,129,789	\$33,857	\$63,176	\$771,405
Investments in affiliated securities at value +	1,370,477	—	—	—	—	—	—
Bullion at value +	1,691,719	—	—	—	—	—	—
Investments at Value	25,221,458	2,538,573	433,608	1,129,789	33,857	63,176	771,405
Cash	5,334	1	1	—*	1	2	1
Cash denominated in foreign currencies at value +	13	—	—	—	229	291	—
Investment securities sold receivable	558	—	—	119	538	200	2,512
Dividends and interest receivable	54,862	7,200	176	2,341	116	191	2,227
Capital shares sold receivable	25,685	9,215	3,628	1,229	72	170	2,074
Receivable from affiliates	125	—	—	25	85	43	2
Unrealized appreciation on forward foreign currency contracts	—	—	—	1,283	—	—	—
Variation margin receivable	10,247	—	—	—	—	—	—
Prepaid and other assets	373	109	85	66	46	48	67
Total Assets	25,318,655	2,555,098	437,498	1,134,852	34,944	64,121	778,288
LIABILITIES							
Investment securities purchased payable	578	19,784	—	—	711	394	2,682
Capital shares redeemed payable	78,406	4,622	936	2,759	52	155	1,889
Independent Trustees and Chief Compliance Officer fees payable	1,370	47	6	681	—*	—*	87
Distribution and service fees payable	284	32	4	11	—*	—*	6
Shareholder servicing payable	5,759	445	105	694	11	13	212
Investment management fee payable	388	46	10	28	1	2	17
Accounting services fee payable	23	23	10	23	3	3	19
Unrealized depreciation on forward foreign currency contracts	8,186	—	—	—	—	—	—
Variation margin payable	4,970	—	—	—	—	—	—
Written options at value +	17,747	—	—	—	—	—	—
Other liabilities	235	3	5	12	3	4	2
Total Liabilities	117,946	25,002	1,076	4,208	781	571	4,914
Total Net Assets	\$25,200,709	\$2,530,096	\$436,422	\$ 1,130,644	\$34,163	\$63,550	\$773,374
NET ASSETS							
Capital paid in (shares authorized – unlimited)	\$21,964,805	\$2,130,120	\$436,623	\$ 3,144,009	\$30,595	\$58,463	\$517,468
Undistributed (distributions in excess of) net investment income	177,878	3,347	27	976	(49)	(339)	1,282
Accumulated net realized gain (loss)	877,915	55,724	(24,818)	(2,076,888)	143	(486)	12,175
Net unrealized appreciation	2,180,111	340,905	24,590	62,547	3,474	5,912	242,449
Total Net Assets	\$25,200,709	\$2,530,096	\$436,422	\$ 1,130,644	\$34,163	\$63,550	\$773,374
CAPITAL SHARES OUTSTANDING:							
Class A	244,615	47,081	15,206	40,003	2,578	3,761	18,521
Class B	23,094	2,919	373	1,512	25	119	222
Class C	313,755	28,831	6,159	13,651	89	311	731
Class E	2,787	7	10	369	N/A	N/A	120
Class I	348,435	12,278	5,694	10,409	238	919	451
Class R	6,253	342	1,064	2,065	45	200	61
Class R6	467	151	139	291	N/A	N/A	121
Class Y	43,717	7,192	2,638	3,645	89	435	6,109
NET ASSET VALUE PER SHARE:							
Class A	\$25.89	\$25.65	\$14.03	\$16.13	\$11.15	\$11.06	\$29.38
Class B	\$24.73	\$25.45	\$13.04	\$13.98	\$11.10	\$11.04	\$28.58
Class C	\$24.88	\$25.53	\$13.24	\$13.67	\$11.10	\$11.04	\$28.92
Class E	\$25.96	\$25.76	\$14.30	\$16.43	N/A	N/A	\$29.37
Class I	\$26.15	\$25.63	\$14.44	\$16.69	\$11.14	\$11.07	\$29.53
Class R	\$25.68	\$25.65	\$13.98	\$15.94	\$11.12	\$11.05	\$29.37
Class R6	\$26.21	\$25.66	\$14.46	\$16.70	N/A	N/A	\$29.56
Class Y	\$25.94	\$25.66	\$14.19	\$16.45	\$11.22	\$11.07	\$29.40
+COST							
Investments in unaffiliated securities at cost	\$19,705,365	\$2,197,668	\$409,018	\$ 1,068,490	\$30,380	\$57,259	\$528,956
Investments in affiliated securities at cost	1,535,116	—	—	—	—	—	—
Bullion at cost	1,809,619	—	—	—	—	—	—
Cash denominated in foreign currencies at cost	13	—	—	—	231	293	—
Written options premiums received at cost	32,247	—	—	—	—	—	—

*Not shown due to rounding.

(1) Consolidated Statement of Assets and Liabilities (See Note 6 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

Ivy Funds

AS OF MARCH 31, 2015

	Ivy Science and Technology Fund
(In thousands, except per share amounts)	
ASSETS	
Investments in unaffiliated securities at value+	\$4,899,620
Investments in affiliated securities at value+	1,435,705
Investments at Value	6,335,325
Cash	1
Investment securities sold receivable	6,268
Dividends and interest receivable	2,125
Capital shares sold receivable	18,829
Receivable from affiliates	10
Prepaid and other assets	125
Total Assets	6,362,683
LIABILITIES	
Investment securities purchased payable	36,084
Capital shares redeemed payable	9,630
Independent Trustees and Chief Compliance Officer fees payable	153
Distribution and service fees payable	53
Shareholder servicing payable	1,387
Investment management fee payable	137
Accounting services fee payable	23
Other liabilities	18
Total Liabilities	47,485
Total Net Assets	\$6,315,198
NET ASSETS	
Capital paid in (shares authorized – unlimited)	\$4,383,912
Distributions in excess of net investment income	(12,054)
Accumulated net realized gain	11,607
Net unrealized appreciation	1,931,733
Total Net Assets	\$6,315,198
CAPITAL SHARES OUTSTANDING:	
Class A	39,293
Class B	1,445
Class C	20,122
Class E	389
Class I	30,847
Class R	2,072
Class R6	205
Class Y	17,551
NET ASSET VALUE PER SHARE:	
Class A	\$55.95
Class B	\$48.01
Class C	\$49.63
Class E	\$55.70
Class I	\$60.64
Class R	\$55.05
Class R6	\$60.70
Class Y	\$58.68
+COST	
Investments in unaffiliated securities at cost	\$3,358,258
Investments in affiliated securities at cost	1,045,334

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

Ivy Funds

FOR THE YEAR ENDED MARCH 31, 2015

(In thousands)	Ivy Asset Strategy Fund ⁽¹⁾	Ivy Balanced Fund	Ivy Energy Fund	Ivy Global Natural Resources Fund	Ivy Global Real Estate Fund	Ivy Global Risk-Managed Real Estate Fund	Ivy Real Estate Securities Fund
INVESTMENT INCOME							
Dividends from unaffiliated securities	\$ 425,415	\$ 25,499	\$ 3,707	\$ 23,562	\$ 881	\$ 1,474	\$ 15,000
Dividends from affiliated securities	39,772	—	—	—	—	—	—
Foreign dividend withholding tax	(14,630)	(116)	(94)	(785)	(50)	(84)	—
Interest and amortization from unaffiliated securities	99,340	15,023	36	45	—*	1	10
Interest and amortization from affiliated securities	28,136	—	—	—	—	—	—
Foreign interest withholding tax	(1)	—	—	—	—	—	—
Total Investment Income	578,032	40,406	3,649	22,822	831	1,391	15,010
EXPENSES							
Investment management fee	177,747	14,280	2,662	13,164	289	465	5,985
Distribution and service fees:							
Class A	20,086	2,531	420	2,114	65	75	1,151
Class B	6,803	704	49	311	3	12	60
Class C	90,879	6,145	450	2,494	7	25	168
Class E	185	—*	—*	17	N/A	N/A	7
Class R	836	34	48	204	2	11	8
Class Y	3,409	397	82	195	2	9	415
Shareholder servicing:							
Class A	10,604	1,583	493	3,186	99	86	1,604
Class B	864	97	17	164	1	—*	33
Class C	9,426	604	68	644	1	1	53
Class E	203	—*	—*	56	N/A	N/A	19
Class I	19,434	424	87	371	3	15	16
Class R	427	17	24	105	1	5	5
Class R6	1	—*	—*	—*	N/A	N/A	—*
Class Y	2,131	244	52	129	1	6	250
Registration fees	654	194	116	118	75	77	117
Custodian fees	1,476	24	10	34	23	20	15
Independent Trustees and Chief Compliance Officer fees	902	57	8	66	1	1	20
Accounting services fee	273	273	107	273	30	35	188
Professional fees	648	26	16	39	20	20	25
Other	2,436	175	34	149	23	22	52
Total Expenses	349,424	27,809	4,743	23,833	646	885	10,191
Less:							
Expenses in excess of limit	(401)	—	—	(51)	(167)	(107)	(670)
Total Net Expenses	349,023	27,809	4,743	23,782	479	778	9,521
Net Investment Income (Loss)	229,009	12,597	(1,094)	(960)	352	613	5,489
REALIZED AND UNREALIZED GAIN (LOSS)							
Net realized gain (loss) on:							
Investments in unaffiliated securities	3,409,643	101,236	(15,838)	18,646	805	648	41,982
Investments in affiliated securities	1,087,935	—	—	—	—	—	—
Futures contracts	53,332	—	—	—	—	—	—
Written options	141,350	—	—	—	—	—	—
Swap agreements	(138,463)	—	—	—	—	—	—
Forward foreign currency contracts	132,774	—	—	12,501	—	—	—
Foreign currency exchange transactions	(1,591)	—	(16)	(88)	(19)	(39)	—
Net change in unrealized appreciation (depreciation) on:							
Investments in unaffiliated securities	(3,213,477)	68,818	(36,512)	(260,225)	3,298	5,898	99,506
Investments in affiliated securities	(2,526,696)	—	—	—	—	—	—
Futures contracts	4,323	—	—	—	—	—	—
Written options	(6,109)	—	—	—	—	—	—
Forward foreign currency contracts	(44,418)	—	—	3,123	—	—	—
Foreign currency exchange transactions	(2,484)	—	—*	(89)	(4)	(8)	—
Net Realized and Unrealized Gain (Loss)	(1,103,881)	170,054	(52,366)	(226,132)	4,080	6,499	141,488
Net Increase (Decrease) in Net Assets Resulting from Operations	\$ (874,872)	\$ 182,651	\$ (53,460)	\$ (227,092)	\$ 4,432	\$ 7,112	\$ 146,977

*Not shown due to rounding.

(1) Consolidated Statement of Operations (See Note 6 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

Ivy Funds

FOR THE YEAR ENDED MARCH 31, 2015

	Ivy Science and Technology Fund
(In thousands)	
INVESTMENT INCOME	
Dividends from unaffiliated securities	\$ 33,709
Foreign dividend withholding tax	(554)
Interest and amortization from unaffiliated securities	577
Total Investment Income	33,732
EXPENSES	
Investment management fee	45,466
Distribution and service fees:	
Class A	5,060
Class B	688
Class C	8,708
Class E	46
Class R	526
Class Y	2,499
Shareholder servicing:	
Class A	3,879
Class B	131
Class C	1,176
Class E	88
Class I	2,570
Class R	270
Class R6	1
Class Y	1,551
Registration fees	342
Custodian fees	107
Independent Trustees and Chief Compliance Officer fees	159
Accounting services fee	273
Professional fees	58
Other	497
Total Expenses	74,095
Less:	
Expenses in excess of limit	(22)
Total Net Expenses	74,073
Net Investment Loss	(40,341)
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) on:	
Investments in unaffiliated securities	94,496
Investments in affiliated securities	(37,168)
Written options	3,467
Foreign currency exchange transactions	(139)
Net change in unrealized appreciation (depreciation) on:	
Investments in unaffiliated securities	211,176
Investments in affiliated securities	240,757
Foreign currency exchange transactions	(15)
Net Realized and Unrealized Gain	512,574
Net Increase in Net Assets Resulting from Operations	\$472,233

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Asset Strategy Fund ⁽¹⁾		Ivy Balanced Fund		Ivy Energy Fund	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income (loss)	\$ 229,009	\$ 241,115	\$ 12,597	\$ 5,620	\$ (1,094)	\$ (1,011)
Net realized gain (loss) on investments	4,684,980	3,493,502	101,236	42,818	(15,854)	7,857
Net change in unrealized appreciation (depreciation)	(5,788,861)	1,152,914	68,818	142,574	(36,512)	21,482
Net Increase (Decrease) in Net Assets Resulting from Operations	(874,872)	4,887,531	182,651	191,012	(53,460)	28,328
Distributions to Shareholders From:						
Net investment income:						
Class A	(28,374)	(43,848)	(6,752)	(2,994)	—	—
Class B	(589)	(79)	—	—	—	—
Class C	(8,229)	(2,514)	(58)	—	—	—
Class E	(258)	(321)	(2)	(1)	—	—
Class I	(70,078)	(75,738)	(2,578)	(1,040)	—	—
Class R	(324)	(360)	(22)	(3)	—	—
Class R6	(57)	N/A	(13)	N/A	—	N/A
Class Y	(5,002)	(6,832)	(1,032)	(546)	—	—
Net realized gains:						
Class A	(1,122,023)	—	(30,568)	(16,300)	—	—
Class B	(105,009)	—	(1,995)	(1,308)	—	—
Class C	(1,414,827)	—	(18,309)	(8,900)	—	—
Class E	(11,538)	—	(5)	(4)	—	—
Class I	(1,755,141)	—	(8,576)	(3,661)	—	—
Class R	(26,544)	—	(235)	(42)	—	—
Class R6	(1,679)	N/A	(52)	N/A	—	N/A
Class Y	(197,824)	—	(4,543)	(2,848)	—	—
Total Distributions to Shareholders	(4,747,496)	(129,692)	(74,740)	(37,647)	—	—
Capital Share Transactions	(4,772,735)	2,918,600	598,637	826,413	293,560	48,700
Net Increase (Decrease) in Net Assets	(10,395,103)	7,676,439	706,548	979,778	240,100	77,028
Net Assets, Beginning of Period	35,595,812	27,919,373	1,823,548	843,770	196,322	119,294
Net Assets, End of Period	\$ 25,200,709	\$35,595,812	\$2,530,096	\$1,823,548	\$436,422	\$196,322
Undistributed (distributions in excess of) net investment income						
	\$ 177,878	\$ 126,972	\$ 3,347	\$ 1,190	\$ 27	\$ (331)

(1) Consolidated Statements of Changes in Net Assets (See Note 6 in Notes to Financial Statements).

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Global Natural Resources Fund		Ivy Global Real Estate Fund		Ivy Global Risk-Managed Real Estate Fund	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income (loss)	\$ (960)	\$ (2,713)	\$ 352	\$ 188	\$ 613	\$ 368
Net realized gain (loss) on investments	31,059	141,503	786	(193)	609	(723)
Net change in unrealized appreciation (depreciation)	(257,191)	(49,084)	3,294	180	5,890	22
Net Increase (Decrease) in Net Assets Resulting from Operations	(227,092)	89,706	4,432	175	7,112	(333)
Distributions to Shareholders From:						
Net investment income:						
Class A	—	—	(479)	(313)	(839)	(292)
Class B	—	—	(2)	(2)	(20)	(10)
Class C	—	—	(5)	(5)	(42)	(22)
Class E	—	—	N/A	N/A	N/A	N/A
Class I	—	—	(42)	(4)	(238)	(134)
Class R	—	—	(5)	(33)	(41)	(23)
Class R6	—	N/A	N/A	N/A	N/A	N/A
Class Y	—	—	(14)	(10)	(85)	(50)
Net realized gains:						
Class A	—	—	(192)	—	—	—
Class B	—	—	(2)	—	—	—
Class C	—	—	(5)	—	—	—
Class E	—	—	N/A	N/A	N/A	N/A
Class I	—	—	(19)	—	—	—
Class R	—	—	(3)	—	—	—
Class R6	—	N/A	N/A	N/A	N/A	N/A
Class Y	—	—	(6)	—	—	—
Total Distributions to Shareholders	—	—	(774)	(367)	(1,265)	(531)
Capital Share Transactions	(342,833)	(970,474)	4,767	25,930	21,559	37,008
Net Increase (Decrease) in Net Assets	(569,925)	(880,768)	8,425	25,738	27,406	36,144
Net Assets, Beginning of Period	1,700,569	2,581,337	25,738	—	36,144	—
Net Assets, End of Period	\$1,130,644	\$1,700,569	\$34,163	\$25,738	\$63,550	\$36,144
Undistributed (distributions in excess of) net investment income	\$ 976	\$ (618)	\$ (49)	\$ (68)	\$ (339)	\$ (70)

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Real Estate Securities Fund		Ivy Science and Technology Fund	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS				
Operations:				
Net investment income (loss)	\$ 5,489	\$ 4,086	\$ (40,341)	\$ (24,717)
Net realized gain on investments	41,982	29,208	60,656	148,531
Net change in unrealized appreciation (depreciation)	99,506	(14,829)	451,918	899,332
Net Increase in Net Assets Resulting from Operations	146,977	18,465	472,233	1,023,146
Distributions to Shareholders From:				
Net investment income:				
Class A	(2,866)	(3,489)	—	—
Class B	—	—	—	—
Class C	(5)	(45)	—	—
Class E	(11)	(17)	—	—
Class I	(114)	(107)	—	—
Class R	(7)	(13)	—	—
Class R6	(28)	N/A	—	N/A
Class Y	(1,473)	(1,829)	—	—
Net realized gains:				
Class A	(14,818)	—	(43,478)	(40,239)
Class B	(184)	—	(1,723)	(1,989)
Class C	(540)	—	(21,751)	(17,037)
Class E	(85)	—	(409)	(375)
Class I	(288)	—	(34,397)	(24,363)
Class R	(53)	—	(2,299)	(2,392)
Class R6	(102)	N/A	(225)	N/A
Class Y	(5,234)	—	(20,535)	(22,454)
Total Distributions to Shareholders	(25,808)	(5,500)	(124,817)	(108,849)
Capital Share Transactions	93,503	3,410	546,771	2,490,373
Net Increase in Net Assets	214,672	16,375	894,187	3,404,670
Net Assets, Beginning of Period	558,702	542,327	5,421,011	2,016,341
Net Assets, End of Period	\$773,374	\$558,702	\$6,315,198	\$5,421,011
Undistributed (distributions in excess of) net investment income	\$ 1,282	\$ 297	\$ (12,054)	\$ (8,914)

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY ASSET STRATEGY FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$31.61	\$0.26	\$(1.01)	\$(0.75)	\$(0.12)	\$(4.85)	\$(4.97)
Year ended 3-31-2014	27.04	0.27	4.45	4.72	(0.15)	—	(0.15)
Year ended 3-31-2013	25.44	0.39	1.88	2.27	(0.67)	—	(0.67)
Year ended 3-31-2012	25.42	0.20	0.10	0.30	(0.28)	—	(0.28)
Year ended 3-31-2011	22.42	0.24	2.81	3.05	(0.05)	—	(0.05)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	30.54	0.03	(0.96)	(0.93)	(0.03)	(4.85)	(4.88)
Year ended 3-31-2014	26.20	0.05	4.29	4.34	—*	—	—*
Year ended 3-31-2013	24.55	0.19	1.82	2.01	(0.36)	—	(0.36)
Year ended 3-31-2012	24.53	0.00	0.12	0.12	(0.10)	—	(0.10)
Year ended 3-31-2011	21.77	0.04	2.72	2.76	—	—	—
Class C Shares							
Year ended 3-31-2015	30.69	0.04	(0.97)	(0.93)	(0.03)	(4.85)	(4.88)
Year ended 3-31-2014	26.33	0.05	4.32	4.37	(0.01)	—	(0.01)
Year ended 3-31-2013	24.67	0.20	1.83	2.03	(0.37)	—	(0.37)
Year ended 3-31-2012	24.66	0.01	0.11	0.12	(0.11)	—	(0.11)
Year ended 3-31-2011	21.87	0.05	2.74	2.79	—	—	—
Class E Shares							
Year ended 3-31-2015	31.67	0.23	(0.98)	(0.75)	(0.11)	(4.85)	(4.96)
Year ended 3-31-2014	27.10	0.26	4.45	4.71	(0.14)	—	(0.14)
Year ended 3-31-2013	25.49	0.38	1.89	2.27	(0.66)	—	(0.66)
Year ended 3-31-2012	25.48	0.19	0.10	0.29	(0.28)	—	(0.28)
Year ended 3-31-2011	22.47	0.22	2.84	3.06	(0.05)	—	(0.05)
Class I Shares							
Year ended 3-31-2015	31.88	0.33	(1.02)	(0.69)	(0.19)	(4.85)	(5.04)
Year ended 3-31-2014	27.25	0.34	4.48	4.82	(0.19)	—	(0.19)
Year ended 3-31-2013	25.67	0.45	1.90	2.35	(0.77)	—	(0.77)
Year ended 3-31-2012	25.64	0.25	0.11	0.36	(0.33)	—	(0.33)
Year ended 3-31-2011	22.58	0.26	2.86	3.12	(0.06)	—	(0.06)
Class R Shares							
Year ended 3-31-2015	31.45	0.14	(1.00)	(0.86)	(0.06)	(4.85)	(4.91)
Year ended 3-31-2014	26.94	0.16	4.43	4.59	(0.08)	—	(0.08)
Year ended 3-31-2013	25.29	0.29	1.88	2.17	(0.52)	—	(0.52)
Year ended 3-31-2012	25.28	0.11	0.11	0.22	(0.21)	—	(0.21)
Year ended 3-31-2011	22.35	0.13	2.83	2.96	(0.03)	—	(0.03)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	31.79	0.22	(0.78)	(0.56)	(0.17)	(4.85)	(5.02)
Class Y Shares							
Year ended 3-31-2015	31.67	0.25	(1.01)	(0.76)	(0.12)	(4.85)	(4.97)
Year ended 3-31-2014	27.09	0.27	4.46	4.73	(0.15)	—	(0.15)
Year ended 3-31-2013	25.49	0.39	1.88	2.27	(0.67)	—	(0.67)
Year ended 3-31-2012	25.46	0.20	0.11	0.31	(0.28)	—	(0.28)
Year ended 3-31-2011	22.46	0.23	2.82	3.05	(0.05)	—	(0.05)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$25.89	-2.28%	\$ 6,332	0.96%	0.86%	—%	—%	75%
Year ended 3-31-2014	31.61	17.47	9,659	0.96	0.92	—	—	65
Year ended 3-31-2013	27.04	9.09	7,853	0.98	1.55	—	—	39
Year ended 3-31-2012	25.44	1.31	8,019	0.97	0.81	—	—	47
Year ended 3-31-2011	25.42	13.60	9,083	0.99	1.00	—	—	94
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	24.73	-3.01	571	1.71	0.11	—	—	75
Year ended 3-31-2014	30.54	16.58	783	1.71	0.16	—	—	65
Year ended 3-31-2013	26.20	8.27	715	1.73	0.79	—	—	39
Year ended 3-31-2012	24.55	0.54	695	1.76	0.02	—	—	47
Year ended 3-31-2011	24.53	12.68	672	1.80	0.17	—	—	94
Class C Shares								
Year ended 3-31-2015	24.88	-2.99	7,807	1.68	0.13	—	—	75
Year ended 3-31-2014	30.69	16.59	9,880	1.68	0.19	—	—	65
Year ended 3-31-2013	26.33	8.34	8,321	1.70	0.83	—	—	39
Year ended 3-31-2012	24.67	0.56	8,416	1.71	0.06	—	—	47
Year ended 3-31-2011	24.66	12.76	8,851	1.74	0.24	—	—	94
Class E Shares								
Year ended 3-31-2015	25.96	-2.29	72	1.00	0.79	1.10	0.69	75
Year ended 3-31-2014	31.67	17.40	74	1.00	0.87	1.12	0.75	65
Year ended 3-31-2013	27.10	9.07	58	1.00	1.50	1.20	1.30	39
Year ended 3-31-2012	25.49	1.26	50	1.00	0.77	1.23	0.55	47
Year ended 3-31-2011	25.48	13.63	44	1.00	0.95	1.39	0.56	94
Class I Shares								
Year ended 3-31-2015	26.15	-2.06	9,112	0.74	1.08	—	—	75
Year ended 3-31-2014	31.88	17.72	13,522	0.73	1.14	—	—	65
Year ended 3-31-2013	27.25	9.33	9,681	0.74	1.76	—	—	39
Year ended 3-31-2012	25.67	1.57	8,180	0.75	1.03	—	—	47
Year ended 3-31-2011	25.64	13.84	6,986	0.77	1.14	—	—	94
Class R Shares								
Year ended 3-31-2015	25.68	-2.67	161	1.33	0.47	—	—	75
Year ended 3-31-2014	31.45	17.03	162	1.33	0.54	—	—	65
Year ended 3-31-2013	26.94	8.71	124	1.34	1.15	—	—	39
Year ended 3-31-2012	25.29	0.96	102	1.33	0.45	—	—	47
Year ended 3-31-2011	25.28	13.24	68	1.31	0.57	—	—	94
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	26.21	-1.67	12	0.59 ⁽⁶⁾	1.18 ⁽⁶⁾	—	—	75 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	25.94	-2.31	1,134	0.96	0.85	0.98	0.83	75
Year ended 3-31-2014	31.67	17.47	1,516	0.96	0.92	0.98	0.90	65
Year ended 3-31-2013	27.09	9.08	1,168	0.98	1.55	0.99	1.54	39
Year ended 3-31-2012	25.49	1.35	1,167	0.97	0.80	1.00	0.77	47
Year ended 3-31-2011	25.46	13.59	1,167	0.99	0.99	1.02	0.96	94

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY BALANCED FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$24.38	\$ 0.20	\$1.97	\$2.17	\$(0.16)	\$(0.74)	\$(0.90)
Year ended 3-31-2014	21.60	0.15	3.25	3.40	(0.10)	(0.52)	(0.62)
Year ended 3-31-2013	20.03	0.19	1.70	1.89	(0.17)	(0.15)	(0.32)
Year ended 3-31-2012	19.08	0.17	1.05	1.22	(0.18)	(0.09)	(0.27)
Year ended 3-31-2011	16.73	0.18	2.34	2.52	(0.17)	—	(0.17)
Class B Shares⁽³⁾							
Year ended 3-31-2015	24.19	0.01	1.97	1.98	—	(0.72)	(0.72)
Year ended 3-31-2014	21.45	(0.03)	3.23	3.20	—	(0.46)	(0.46)
Year ended 3-31-2013	19.93	0.03	1.69	1.72	(0.05)	(0.15)	(0.20)
Year ended 3-31-2012	18.99	0.02	1.05	1.07	(0.04)	(0.09)	(0.13)
Year ended 3-31-2011	16.67	0.04	2.33	2.37	(0.05)	—	(0.05)
Class C Shares							
Year ended 3-31-2015	24.26	0.02	1.97	1.99	—*	(0.72)	(0.72)
Year ended 3-31-2014	21.50	(0.01)	3.24	3.23	—	(0.47)	(0.47)
Year ended 3-31-2013	19.98	0.05	1.68	1.73	(0.06)	(0.15)	(0.21)
Year ended 3-31-2012	19.03	0.04	1.06	1.10	(0.06)	(0.09)	(0.15)
Year ended 3-31-2011	16.69	0.07	2.34	2.41	(0.07)	—	(0.07)
Class E Shares⁽⁴⁾							
Year ended 3-31-2015	24.48	0.23	1.99	2.22	(0.20)	(0.74)	(0.94)
Year ended 3-31-2014	21.68	0.18	3.27	3.45	(0.13)	(0.52)	(0.65)
Year ended 3-31-2013	20.02	0.22	1.78	2.00	(0.19)	(0.15)	(0.34)
Year ended 3-31-2012	19.06	0.21	1.04	1.25	(0.20)	(0.09)	(0.29)
Year ended 3-31-2011	16.74	0.22	2.34	2.56	(0.24)	—	(0.24)
Class I Shares							
Year ended 3-31-2015	24.36	0.26	1.98	2.24	(0.23)	(0.74)	(0.97)
Year ended 3-31-2014	21.58	0.21	3.26	3.47	(0.16)	(0.53)	(0.69)
Year ended 3-31-2013	20.01	0.24	1.69	1.93	(0.21)	(0.15)	(0.36)
Year ended 3-31-2012	19.04	0.22	1.06	1.28	(0.22)	(0.09)	(0.31)
Year ended 3-31-2011	16.74	0.21	2.37	2.58	(0.28)	—	(0.28)
Class R Shares							
Year ended 3-31-2015	24.37	0.11	1.98	2.09	(0.07)	(0.74)	(0.81)
Year ended 3-31-2014	21.59	0.07	3.26	3.33	(0.03)	(0.52)	(0.55)
Year ended 3-31-2013 ⁽⁵⁾	20.16	0.00	1.43	1.43	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	24.66	0.22	1.72	1.94	(0.20)	(0.74)	(0.94)
Class Y Shares							
Year ended 3-31-2015	24.38	0.20	1.99	2.19	(0.17)	(0.74)	(0.91)
Year ended 3-31-2014	21.60	0.15	3.26	3.41	(0.10)	(0.53)	(0.63)
Year ended 3-31-2013	20.03	0.19	1.70	1.89	(0.17)	(0.15)	(0.32)
Year ended 3-31-2012	19.08	0.18	1.05	1.23	(0.19)	(0.09)	(0.28)
Year ended 3-31-2011	16.73	0.20	2.34	2.54	(0.19)	—	(0.19)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(4) Class share is closed to investment.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Portfolio Turnover Rate
Class A Shares						
Year ended 3-31-2015	\$25.65	9.06%	\$1,207	1.11%	0.78%	33%
Year ended 3-31-2014	24.38	15.90	863	1.15	0.62	34
Year ended 3-31-2013	21.60	9.56	399	1.17	0.93	35
Year ended 3-31-2012	20.03	6.52	205	1.23	0.90	37
Year ended 3-31-2011	19.08	15.18	114	1.30	1.03	43
Class B Shares⁽³⁾						
Year ended 3-31-2015	25.45	8.28	74	1.84	0.04	33
Year ended 3-31-2014	24.19	15.01	70	1.89	-0.11	34
Year ended 3-31-2013	21.45	8.73	44	1.95	0.16	35
Year ended 3-31-2012	19.93	5.72	23	2.02	0.10	37
Year ended 3-31-2011	18.99	14.25	11	2.09	0.24	43
Class C Shares						
Year ended 3-31-2015	25.53	8.34	736	1.80	0.09	33
Year ended 3-31-2014	24.26	15.11	524	1.84	-0.06	34
Year ended 3-31-2013	21.50	8.75	246	1.88	0.23	35
Year ended 3-31-2012	19.98	5.84	128	1.92	0.21	37
Year ended 3-31-2011	19.03	14.50	69	1.89	0.43	43
Class E Shares⁽⁴⁾						
Year ended 3-31-2015	25.76	9.22	—*	0.96	0.92	33
Year ended 3-31-2014	24.48	16.10	—*	1.00	0.78	34
Year ended 3-31-2013	21.68	10.15	—*	1.03	1.09	35
Year ended 3-31-2012	20.02	6.71	—*	1.05	1.11	37
Year ended 3-31-2011	19.06	15.43	—*	1.10	1.24	43
Class I Shares						
Year ended 3-31-2015	25.63	9.34	315	0.86	1.03	33
Year ended 3-31-2014	24.36	16.21	211	0.88	0.89	34
Year ended 3-31-2013	21.58	9.82	66	0.92	1.19	35
Year ended 3-31-2012	20.01	6.88	39	0.94	1.17	37
Year ended 3-31-2011	19.04	15.58	18	0.97	1.20	43
Class R Shares						
Year ended 3-31-2015	25.65	8.71	9	1.46	0.43	33
Year ended 3-31-2014	24.37	15.51	4	1.47	0.29	34
Year ended 3-31-2013 ⁽⁵⁾	21.59	7.09	—*	1.48 ⁽⁶⁾	0.02 ⁽⁶⁾	35 ⁽⁸⁾
Class R6 Shares						
Year ended 3-31-2015 ⁽⁷⁾	25.66	8.01	4	0.70 ⁽⁶⁾	1.29 ⁽⁶⁾	33 ⁽⁹⁾
Class Y Shares						
Year ended 3-31-2015	25.66	9.10	185	1.11	0.79	33
Year ended 3-31-2014	24.38	15.91	152	1.13	0.64	34
Year ended 3-31-2013	21.60	9.57	89	1.16	0.96	35
Year ended 3-31-2012	20.03	6.57	70	1.19	0.96	37
Year ended 3-31-2011	19.08	15.29	48	1.22	1.10	43

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY ENERGY FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$16.38	\$(0.05)	\$(2.30)	\$(2.35)	\$—	\$—	\$—
Year ended 3-31-2014	13.74	(0.09)	2.73	2.64	—	—	—
Year ended 3-31-2013	12.68	(0.07)	1.13	1.06	—	—	—
Year ended 3-31-2012	15.11	(0.09)	(2.34)	(2.43)	—	—	—
Year ended 3-31-2011	11.11	(0.07)	4.07	4.00	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	15.35	(0.17)	(2.14)	(2.31)	—	—	—
Year ended 3-31-2014	12.98	(0.19)	2.56	2.37	—	—	—
Year ended 3-31-2013	12.08	(0.17)	1.07	0.90	—	—	—
Year ended 3-31-2012	14.52	(0.18)	(2.26)	(2.44)	—	—	—
Year ended 3-31-2011	10.77	(0.17)	3.92	3.75	—	—	—
Class C Shares							
Year ended 3-31-2015	15.55	(0.13)	(2.18)	(2.31)	—	—	—
Year ended 3-31-2014	13.12	(0.16)	2.59	2.43	—	—	—
Year ended 3-31-2013	12.19	(0.14)	1.07	0.93	—	—	—
Year ended 3-31-2012	14.62	(0.16)	(2.27)	(2.43)	—	—	—
Year ended 3-31-2011	10.82	(0.15)	3.95	3.80	—	—	—
Class E Shares⁽⁵⁾							
Year ended 3-31-2015	16.65	(0.01)	(2.34)	(2.35)	—	—	—
Year ended 3-31-2014	13.92	(0.04)	2.77	2.73	—	—	—
Year ended 3-31-2013	12.81	(0.03)	1.14	1.11	—	—	—
Year ended 3-31-2012	15.22	(0.05)	(2.36)	(2.41)	—	—	—
Year ended 3-31-2011	11.16	(0.04)	4.10	4.06	—	—	—
Class I Shares							
Year ended 3-31-2015	16.80	0.02	(2.38)	(2.36)	—	—	—
Year ended 3-31-2014	14.03	(0.02)	2.79	2.77	—	—	—
Year ended 3-31-2013	12.90	(0.02)	1.15	1.13	—	—	—
Year ended 3-31-2012	15.31	(0.03)	(2.38)	(2.41)	—	—	—
Year ended 3-31-2011	11.21	(0.03)	4.13	4.10	—	—	—
Class R Shares							
Year ended 3-31-2015	16.35	(0.08)	(2.29)	(2.37)	—	—	—
Year ended 3-31-2014	13.74	(0.11)	2.72	2.61	—	—	—
Year ended 3-31-2013 ⁽⁶⁾	12.26	(0.03)	1.51	1.48	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁸⁾	18.03	0.03	(3.60)	(3.57)	—	—	—
Class Y Shares							
Year ended 3-31-2015	16.55	(0.04)	(2.32)	(2.36)	—	—	—
Year ended 3-31-2014	13.86	(0.06)	2.75	2.69	—	—	—
Year ended 3-31-2013	12.77	(0.05)	1.14	1.09	—	—	—
Year ended 3-31-2012	15.20	(0.07)	(2.36)	(2.43)	—	—	—
Year ended 3-31-2011	11.16	(0.06)	4.10	4.04	—	—	—

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class share is closed to investment.

(6) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(7) Annualized.

(8) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(10) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Loss to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$14.03	-14.35%	\$213	1.48%	-0.33%	—%	—%	22%
Year ended 3-31-2014	16.38	19.13	124	1.60	-0.59	—	—	34
Year ended 3-31-2013	13.74	8.44	82	1.60	-0.54	1.68	-0.62	30
Year ended 3-31-2012	12.68	-16.08	85	1.60	-0.66	—	—	20
Year ended 3-31-2011	15.11	36.00	101	1.60	-0.59	1.66	-0.65	22
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	13.04	-15.05	5	2.29	-1.17	—	—	22
Year ended 3-31-2014	15.35	18.26	5	2.38	-1.37	—	—	34
Year ended 3-31-2013	12.98	7.36	4	2.49	-1.43	—	—	30
Year ended 3-31-2012	12.08	-16.74	4	2.41	-1.47	—	—	20
Year ended 3-31-2011	14.52	34.82	5	2.50	-1.49	—	—	22
Class C Shares								
Year ended 3-31-2015	13.24	-14.85	82	2.09	-0.92	—	—	22
Year ended 3-31-2014	15.55	18.43	30	2.16	-1.15	—	—	34
Year ended 3-31-2013	13.12	7.71	19	2.26	-1.20	—	—	30
Year ended 3-31-2012	12.19	-16.62	20	2.23	-1.30	—	—	20
Year ended 3-31-2011	14.62	35.12	25	2.29	-1.29	—	—	22
Class E Shares⁽⁵⁾								
Year ended 3-31-2015	14.30	-14.11	—*	1.20	-0.08	—	—	22
Year ended 3-31-2014	16.65	19.53	—*	1.25	-0.25	—	—	34
Year ended 3-31-2013	13.92	8.74	—*	1.31	-0.26	—	—	30
Year ended 3-31-2012	12.81	-15.83	—*	1.30	-0.36	—	—	20
Year ended 3-31-2011	15.22	36.38	—*	1.34	-0.33	—	—	22
Class I Shares								
Year ended 3-31-2015	14.44	-14.05	82	1.09	0.10	—	—	22
Year ended 3-31-2014	16.80	19.74	14	1.14	-0.12	—	—	34
Year ended 3-31-2013	14.03	8.76	6	1.21	-0.14	—	—	30
Year ended 3-31-2012	12.90	-15.74	5	1.19	-0.26	—	—	20
Year ended 3-31-2011	15.31	36.57	10	1.22	-0.23	—	—	22
Class R Shares								
Year ended 3-31-2015	13.98	-14.50	15	1.69	-0.53	—	—	22
Year ended 3-31-2014	16.35	19.00	5	1.72	-0.70	—	—	34
Year ended 3-31-2013 ⁽⁶⁾	13.74	12.07	—*	1.73 ⁽⁷⁾	-0.91 ⁽⁷⁾	—	—	30 ⁽⁹⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁸⁾	14.46	-19.80	2	0.93 ⁽⁷⁾	0.34 ⁽⁷⁾	—	—	22 ⁽¹⁰⁾
Class Y Shares								
Year ended 3-31-2015	14.19	-14.26	37	1.34	-0.22	—	—	22
Year ended 3-31-2014	16.55	19.41	18	1.39	-0.38	—	—	34
Year ended 3-31-2013	13.86	8.54	8	1.45	-0.39	—	—	30
Year ended 3-31-2012	12.77	-15.99	7	1.45	-0.52	—	—	20
Year ended 3-31-2011	15.20	36.20	9	1.49	-0.48	—	—	22

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL NATURAL RESOURCES FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$19.07	\$ 0.00*	\$(2.94)	\$(2.94)	\$ —	\$—	\$ —
Year ended 3-31-2014	17.84	(0.02)	1.25	1.23	—	—	—
Year ended 3-31-2013	17.76	(0.03)	0.14	0.11	(0.03)	—	(0.03)
Year ended 3-31-2012	24.20	(0.01)	(6.43)	(6.44)	—	—	—
Year ended 3-31-2011	18.60	(0.04)	5.64	5.60	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	16.67	(0.15)	(2.54)	(2.69)	—	—	—
Year ended 3-31-2014	15.73	(0.15)	1.09	0.94	—	—	—
Year ended 3-31-2013	15.76	(0.14)	0.11	(0.03)	—	—	—
Year ended 3-31-2012	21.65	(0.15)	(5.74)	(5.89)	—	—	—
Year ended 3-31-2011	16.77	(0.18)	5.06	4.88	—	—	—
Class C Shares							
Year ended 3-31-2015	16.26	(0.10)	(2.49)	(2.59)	—	—	—
Year ended 3-31-2014	15.31	(0.11)	1.06	0.95	—	—	—
Year ended 3-31-2013	15.31	(0.11)	0.11	0.00	—	—	—
Year ended 3-31-2012	21.00	(0.12)	(5.57)	(5.69)	—	—	—
Year ended 3-31-2011	16.25	(0.15)	4.90	4.75	—	—	—
Class E Shares							
Year ended 3-31-2015	19.36	0.06	(2.99)	(2.93)	—	—	—
Year ended 3-31-2014	18.06	0.04	1.26	1.30	—	—	—
Year ended 3-31-2013	17.96	0.01	0.15	0.16	(0.06)	—	(0.06)
Year ended 3-31-2012	24.45	0.01	(6.50)	(6.49)	—	—	—
Year ended 3-31-2011	18.76	(0.02)	5.71	5.69	—	—	—
Class I Shares							
Year ended 3-31-2015	19.63	0.09	(3.03)	(2.94)	—	—	—
Year ended 3-31-2014	18.28	0.07	1.28	1.35	—	—	—
Year ended 3-31-2013	18.19	0.06	0.14	0.20	(0.11)	—	(0.11)
Year ended 3-31-2012	24.69	0.06	(6.56)	(6.50)	—	—	—
Year ended 3-31-2011	18.90	0.02	5.77	5.79	—	—	—
Class R Shares							
Year ended 3-31-2015	18.87	(0.02)	(2.91)	(2.93)	—	—	—
Year ended 3-31-2014	17.67	(0.04)	1.24	1.20	—	—	—
Year ended 3-31-2013	17.58	(0.05)	0.14	0.09	—	—	—
Year ended 3-31-2012	24.00	(0.05)	(6.37)	(6.42)	—	—	—
Year ended 3-31-2011	18.47	(0.08)	5.61	5.53	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	20.86	0.11	(4.27)	(4.16)	—	—	—
Class Y Shares							
Year ended 3-31-2015	19.39	0.04	(2.98)	(2.94)	—	—	—
Year ended 3-31-2014	18.10	0.02	1.27	1.29	—	—	—
Year ended 3-31-2013	18.02	0.02	0.13	0.15	(0.07)	—	(0.07)
Year ended 3-31-2012	24.50	0.03	(6.51)	(6.48)	—	—	—
Year ended 3-31-2011	18.79	(0.01)	5.72	5.71	—	—	—

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$16.13	-15.42%	\$ 645	1.57%	-0.03%	—%	—%	22%
Year ended 3-31-2014	19.07	6.90	1,008	1.56	-0.09	—	—	100
Year ended 3-31-2013	17.84	0.64	1,375	1.52	-0.18	—	—	83
Year ended 3-31-2012	17.76	-26.61	1,770	1.41	-0.07	—	—	84
Year ended 3-31-2011	24.20	30.11	3,095	1.39	-0.22	—	—	105
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	13.98	-16.14	21	2.47	-0.95	—	—	22
Year ended 3-31-2014	16.67	5.98	40	2.41	-0.95	—	—	100
Year ended 3-31-2013	15.73	-0.19	69	2.33	-0.97	—	—	83
Year ended 3-31-2012	15.76	-27.21	112	2.20	-0.86	—	—	84
Year ended 3-31-2011	21.65	29.10	198	2.21	-1.05	—	—	105
Class C Shares								
Year ended 3-31-2015	13.67	-15.93	187	2.20	-0.65	—	—	22
Year ended 3-31-2014	16.26	6.21	291	2.18	-0.72	—	—	100
Year ended 3-31-2013	15.31	0.00*	410	2.13	-0.78	—	—	83
Year ended 3-31-2012	15.31	-27.10	603	2.07	-0.73	—	—	84
Year ended 3-31-2011	21.00	29.23	1,072	2.07	-0.91	—	—	105
Class E Shares								
Year ended 3-31-2015	16.43	-15.13	6	1.27	0.32	2.03	-0.44	22
Year ended 3-31-2014	19.36	7.20	7	1.27	0.20	2.12	-0.64	100
Year ended 3-31-2013	18.06	0.91	7	1.27	0.05	2.21	-0.89	83
Year ended 3-31-2012	17.96	-26.54	7	1.27	0.06	2.03	-0.69	84
Year ended 3-31-2011	24.45	30.33	9	1.27	-0.12	2.18	-1.03	105
Class I Shares								
Year ended 3-31-2015	16.69	-14.98	174	1.11	0.47	—	—	22
Year ended 3-31-2014	19.63	7.39	224	1.08	0.37	—	—	100
Year ended 3-31-2013	18.28	1.14	484	1.05	0.32	—	—	83
Year ended 3-31-2012	18.19	-26.33	1,137	1.02	0.32	—	—	84
Year ended 3-31-2011	24.69	30.64	1,756	1.02	0.12	—	—	105
Class R Shares								
Year ended 3-31-2015	15.94	-15.53	33	1.69	-0.12	—	—	22
Year ended 3-31-2014	18.87	6.79	43	1.67	-0.20	—	—	100
Year ended 3-31-2013	17.67	0.51	50	1.63	-0.30	—	—	83
Year ended 3-31-2012	17.58	-26.75	66	1.60	-0.26	—	—	84
Year ended 3-31-2011	24.00	29.94	90	1.56	-0.41	—	—	105
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	16.70	-19.94	5	0.95 ⁽⁶⁾	0.97 ⁽⁶⁾	—	—	22 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	16.45	-15.16	60	1.35	0.20	—	—	22
Year ended 3-31-2014	19.39	7.07	88	1.33	0.10	—	—	100
Year ended 3-31-2013	18.10	0.93	186	1.27	0.11	1.29	0.09	83
Year ended 3-31-2012	18.02	-26.45	491	1.20	0.14	1.27	0.07	84
Year ended 3-31-2011	24.50	30.39	799	1.20	-0.04	1.27	-0.11	105

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL REAL ESTATE FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$ 9.83	\$ 0.13	\$ 1.46	\$ 1.59	\$(0.19)	\$(0.08)	\$(0.27)
Year ended 3-31-2014	10.00	0.11	(0.12)	(0.01)	(0.16)	—	(0.16)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	9.79	0.01	1.46	1.47	(0.08)	(0.08)	(0.16)
Year ended 3-31-2014	10.00	0.00*	(0.12)	(0.12)	(0.09)	—	(0.09)
Class C Shares							
Year ended 3-31-2015	9.80	(0.01)	1.47	1.46	(0.08)	(0.08)	(0.16)
Year ended 3-31-2014	10.00	0.00*	(0.11)	(0.11)	(0.09)	—	(0.09)
Class I Shares							
Year ended 3-31-2015	9.82	0.12	1.46	1.58	(0.18)	(0.08)	(0.26)
Year ended 3-31-2014	10.00	0.09	(0.11)	(0.02)	(0.16)	—	(0.16)
Class R Shares							
Year ended 3-31-2015	9.81	0.05	1.46	1.51	(0.12)	(0.08)	(0.20)
Year ended 3-31-2014	10.00	0.04	(0.11)	(0.07)	(0.12)	—	(0.12)
Class Y Shares							
Year ended 3-31-2015	9.89	0.12	1.48	1.60	(0.19)	(0.08)	(0.27)
Year ended 3-31-2014	10.00	0.11	(0.05)	0.06	(0.17)	—	(0.17)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Ratio of expenses to average net assets excluding offering cost was 2.40%.

(6) Ratio of expenses to average net assets excluding offering cost was 2.39%.

(7) Ratio of expenses to average net assets excluding offering cost was 1.43%.

(8) Ratio of expenses to average net assets excluding offering cost was 1.99%.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$11.15	16.31%	\$28	1.51%	1.22%	2.14%	0.59%	63%
Year ended 3-31-2014	9.83	0.02	22	1.51	1.12	2.62	0.01	36
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	11.10	15.05	—*	2.66	0.06	—	—	63
Year ended 3-31-2014	9.79	-1.16	—*	2.68 ⁽⁵⁾	-0.02	3.14	-0.48	36
Class C Shares								
Year ended 3-31-2015	11.10	14.92	1	2.68	-0.09	—	—	63
Year ended 3-31-2014	9.80	-1.03	1	2.67 ⁽⁶⁾	—	3.12	-0.45	36
Class I Shares								
Year ended 3-31-2015	11.14	16.14	3	1.62	1.08	—	—	63
Year ended 3-31-2014	9.82	-0.13	2	1.71 ⁽⁷⁾	0.94	2.16	0.49	36
Class R Shares								
Year ended 3-31-2015	11.12	15.40	1	2.25	0.50	—	—	63
Year ended 3-31-2014	9.81	-0.67	—*	2.27 ⁽⁸⁾	0.38	2.73	-0.08	36
Class Y Shares								
Year ended 3-31-2015	11.22	16.32	1	1.51	1.15	1.90	0.76	63
Year ended 3-31-2014	9.89	0.68	1	1.51	1.13	2.37	0.27	36

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL-RISK MANAGED REAL ESTATE FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$ 9.72	\$0.14	\$ 1.48	\$ 1.62	\$(0.28)	\$—	\$(0.28)
Year ended 3-31-2014	10.00	0.13	(0.24)	(0.11)	(0.17)	—	(0.17)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	9.70	0.06	1.46	1.52	(0.18)	—	(0.18)
Year ended 3-31-2014	10.00	0.03	(0.23)	(0.20)	(0.10)	—	(0.10)
Class C Shares							
Year ended 3-31-2015	9.70	0.05	1.47	1.52	(0.18)	—	(0.18)
Year ended 3-31-2014	10.00	0.03	(0.23)	(0.20)	(0.10)	—	(0.10)
Class I Shares							
Year ended 3-31-2015	9.72	0.15	1.47	1.62	(0.27)	—	(0.27)
Year ended 3-31-2014	10.00	0.12	(0.24)	(0.12)	(0.16)	—	(0.16)
Class R Shares							
Year ended 3-31-2015	9.70	0.09	1.47	1.56	(0.21)	—	(0.21)
Year ended 3-31-2014	10.00	0.06	(0.24)	(0.18)	(0.12)	—	(0.12)
Class Y Shares							
Year ended 3-31-2015	9.72	0.13	1.50	1.63	(0.28)	—	(0.28)
Year ended 3-31-2014	10.00	0.13	(0.24)	(0.11)	(0.17)	—	(0.17)

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Ratio of expenses to average net assets excluding offering cost was 2.15%.

(6) Ratio of expenses to average net assets excluding offering cost was 1.27%.

(7) Ratio of expenses to average net assets excluding offering cost was 1.88%.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$11.06	16.77%	\$43	1.50%	1.31%	1.83%	0.98%	53%
Year ended 3-31-2014	9.72	-1.00	20	1.51	1.39	2.08	0.82	38
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	11.04	15.74	1	2.34	0.57	—	—	53
Year ended 3-31-2014	9.70	-1.92	1	2.53 ⁽⁵⁾	0.32	2.58	0.27	38
Class C Shares								
Year ended 3-31-2015	11.04	15.72	3	2.38	0.43	—	—	53
Year ended 3-31-2014	9.70	-1.91	2	2.53 ⁽⁵⁾	0.33	2.58	0.28	38
Class I Shares								
Year ended 3-31-2015	11.07	16.79	10	1.47	1.46	—	—	53
Year ended 3-31-2014	9.72	-1.09	8	1.65 ⁽⁶⁾	1.20	1.70	1.15	38
Class R Shares								
Year ended 3-31-2015	11.05	16.15	2	2.07	0.88	—	—	53
Year ended 3-31-2014	9.70	-1.72	2	2.26 ⁽⁷⁾	0.60	2.31	0.55	38
Class Y Shares								
Year ended 3-31-2015	11.07	16.87	5	1.51	1.26	1.71	1.06	53
Year ended 3-31-2014	9.72	-0.98	3	1.50	1.35	1.95	0.90	38

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY REAL ESTATE SECURITIES FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$24.35	\$ 0.21	\$5.86	\$6.07	\$(0.17)	\$(0.87)	\$(1.04)
Year ended 3-31-2014	23.73	0.16	0.69	0.85	(0.23)	—	(0.23)
Year ended 3-31-2013	21.27	0.16	2.45	2.61	(0.15)	—	(0.15)
Year ended 3-31-2012	19.42	0.09	1.82	1.91	(0.06)	—	(0.06)
Year ended 3-31-2011	15.95	0.03	3.62	3.65	(0.18)	—	(0.18)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	23.77	(0.03)	5.67	5.64	—	(0.83)	(0.83)
Year ended 3-31-2014	23.17	(0.06)	0.66	0.60	—	—	—
Year ended 3-31-2013	20.85	(0.06)	2.38	2.32	—	—	—
Year ended 3-31-2012	19.20	(0.12)	1.77	1.65	—	—	—
Year ended 3-31-2011	15.82	(0.17)	3.57	3.40	(0.02)	—	(0.02)
Class C Shares							
Year ended 3-31-2015	24.02	0.00*	5.78	5.78	(0.01)	(0.87)	(0.88)
Year ended 3-31-2014	23.42	0.00*	0.67	0.67	(0.07)	—	(0.07)
Year ended 3-31-2013	21.00	0.01	2.42	2.43	(0.01)	—	(0.01)
Year ended 3-31-2012	19.27	(0.05)	1.78	1.73	—	—	—
Year ended 3-31-2011	15.86	(0.10)	3.59	3.49	(0.08)	—	(0.08)
Class E Shares							
Year ended 3-31-2015	24.35	0.13	5.87	6.00	(0.11)	(0.87)	(0.98)
Year ended 3-31-2014	23.72	0.13	0.70	0.83	(0.20)	—	(0.20)
Year ended 3-31-2013	21.27	0.14	2.46	2.60	(0.15)	—	(0.15)
Year ended 3-31-2012	19.43	0.10	1.81	1.91	(0.07)	—	(0.07)
Year ended 3-31-2011	15.96	0.03	3.63	3.66	(0.19)	—	(0.19)
Class I Shares							
Year ended 3-31-2015	24.50	0.32	5.90	6.22	(0.32)	(0.87)	(1.19)
Year ended 3-31-2014	23.85	0.28	0.69	0.97	(0.32)	—	(0.32)
Year ended 3-31-2013	21.37	0.24	2.51	2.75	(0.27)	—	(0.27)
Year ended 3-31-2012	19.52	0.22	1.80	2.02	(0.17)	—	(0.17)
Year ended 3-31-2011	16.00	0.17	3.61	3.78	(0.26)	—	(0.26)
Class R Shares							
Year ended 3-31-2015	24.35	0.20	5.81	6.01	(0.12)	(0.87)	(0.99)
Year ended 3-31-2014	23.73	0.15	0.68	0.83	(0.21)	—	(0.21)
Year ended 3-31-2013	21.27	0.15	2.44	2.59	(0.13)	—	(0.13)
Year ended 3-31-2012	19.43	0.09	1.81	1.90	(0.06)	—	(0.06)
Year ended 3-31-2011	15.95	(0.01)	3.68	3.67	(0.19)	—	(0.19)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	26.13	0.20	4.34	4.54	(0.24)	(0.87)	(1.11)
Class Y Shares							
Year ended 3-31-2015	24.39	0.28	5.84	6.12	(0.24)	(0.87)	(1.11)
Year ended 3-31-2014	23.75	0.24	0.68	0.92	(0.28)	—	(0.28)
Year ended 3-31-2013	21.28	0.23	2.45	2.68	(0.21)	—	(0.21)
Year ended 3-31-2012	19.44	0.16	1.81	1.97	(0.13)	—	(0.13)
Year ended 3-31-2011	15.95	0.10	3.62	3.72	(0.23)	—	(0.23)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$29.38	25.19%	\$543	1.46%	0.78%	1.56%	0.68%	48%
Year ended 3-31-2014	24.35	3.65	384	1.56	0.67	1.66	0.57	73
Year ended 3-31-2013	23.73	12.32	341	1.64	0.71	1.68	0.67	43
Year ended 3-31-2012	21.27	9.88	276	1.73	0.45	—	—	55
Year ended 3-31-2011	19.42	23.00	247	1.79	0.16	—	—	65
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	28.58	23.95	6	2.41	-0.10	2.51	-0.20	48
Year ended 3-31-2014	23.77	2.59	6	2.61	-0.28	2.71	-0.38	73
Year ended 3-31-2013	23.17	11.08	7	2.75	-0.29	2.79	-0.33	43
Year ended 3-31-2012	20.85	8.65	7	2.89	-0.62	—	—	55
Year ended 3-31-2011	19.20	21.51	8	3.01	-0.99	—	—	65
Class C Shares								
Year ended 3-31-2015	28.92	24.27	21	2.18	0.01	2.28	-0.09	48
Year ended 3-31-2014	24.02	2.90	14	2.27	0.02	2.37	-0.08	73
Year ended 3-31-2013	23.42	11.50	15	2.35	0.03	2.39	-0.01	43
Year ended 3-31-2012	21.00	9.03	12	2.49	-0.28	—	—	55
Year ended 3-31-2011	19.27	22.07	12	2.56	-0.52	—	—	65
Class E Shares								
Year ended 3-31-2015	29.37	24.88	4	1.67	0.49	1.93	0.23	48
Year ended 3-31-2014	24.35	3.58	2	1.67	0.54	2.15	0.06	73
Year ended 3-31-2013	23.72	12.27	2	1.67	0.61	2.27	0.01	43
Year ended 3-31-2012	21.27	9.90	1	1.67	0.50	2.36	-0.19	55
Year ended 3-31-2011	19.43	23.12	1	1.67	0.16	2.52	-0.69	65
Class I Shares								
Year ended 3-31-2015	29.53	25.74	13	1.02	1.18	1.12	1.08	48
Year ended 3-31-2014	24.50	4.20	9	1.02	1.18	1.12	1.08	73
Year ended 3-31-2013	23.85	12.95	7	1.09	1.06	1.12	1.03	43
Year ended 3-31-2012	21.37	10.46	3	1.15	1.15	—	—	55
Year ended 3-31-2011	19.52	23.84	5	1.16	0.97	—	—	65
Class R Shares								
Year ended 3-31-2015	29.37	24.92	2	1.64	0.72	1.74	0.62	48
Year ended 3-31-2014	24.35	3.58	1	1.66	0.62	1.76	0.52	73
Year ended 3-31-2013	23.73	12.23	2	1.71	0.69	1.75	0.65	43
Year ended 3-31-2012	21.27	9.84	1	1.73	0.49	—	—	55
Year ended 3-31-2011	19.43	23.17	1	1.70	-0.05	—	—	65
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	29.56	17.66	4	0.86 ⁽⁶⁾	1.10 ⁽⁶⁾	0.96 ⁽⁶⁾	1.00 ⁽⁶⁾	48 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	29.40	25.41	180	1.26	1.05	1.36	0.95	48
Year ended 3-31-2014	24.39	3.97	143	1.27	1.03	1.37	0.93	73
Year ended 3-31-2013	23.75	12.63	168	1.34	1.06	1.37	1.03	43
Year ended 3-31-2012	21.28	10.24	149	1.39	0.82	—	—	55
Year ended 3-31-2011	19.44	23.51	150	1.39	0.57	—	—	65

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY SCIENCE AND TECHNOLOGY FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$52.71	\$(0.36)	\$ 4.77	\$ 4.41	\$—	\$(1.17)	\$(1.17)
Year ended 3-31-2014	39.79	(0.30)	14.54	14.24	—	(1.32)	(1.32)
Year ended 3-31-2013	33.54	(0.27)	6.71	6.44	—	(0.19)	(0.19)
Year ended 3-31-2012	35.09	(0.32)	0.93	0.61	—	(2.16)	(2.16)
Year ended 3-31-2011	29.35	(0.25)	6.39	6.14	—	(0.40)	(0.40)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	45.73	(0.65)	4.10	3.45	—	(1.17)	(1.17)
Year ended 3-31-2014	34.92	(0.59)	12.72	12.13	—	(1.32)	(1.32)
Year ended 3-31-2013	29.69	(0.48)	5.90	5.42	—	(0.19)	(0.19)
Year ended 3-31-2012	31.58	(0.53)	0.77	0.24	—	(2.13)	(2.13)
Year ended 3-31-2011	26.62	(0.47)	5.75	5.28	—	(0.32)	(0.32)
Class C Shares							
Year ended 3-31-2015	47.21	(0.65)	4.24	3.59	—	(1.17)	(1.17)
Year ended 3-31-2014	35.99	(0.58)	13.12	12.54	—	(1.32)	(1.32)
Year ended 3-31-2013	30.57	(0.47)	6.08	5.61	—	(0.19)	(0.19)
Year ended 3-31-2012	32.41	(0.51)	0.80	0.29	—	(2.13)	(2.13)
Year ended 3-31-2011	27.29	(0.44)	5.91	5.47	—	(0.35)	(0.35)
Class E Shares							
Year ended 3-31-2015	52.57	(0.45)	4.75	4.30	—	(1.17)	(1.17)
Year ended 3-31-2014	39.74	(0.38)	14.53	14.15	—	(1.32)	(1.32)
Year ended 3-31-2013	33.48	(0.29)	6.74	6.45	—	(0.19)	(0.19)
Year ended 3-31-2012	35.04	(0.33)	0.92	0.59	—	(2.15)	(2.15)
Year ended 3-31-2011	29.33	(0.26)	6.38	6.12	—	(0.41)	(0.41)
Class I Shares							
Year ended 3-31-2015	56.87	(0.23)	5.17	4.94	—	(1.17)	(1.17)
Year ended 3-31-2014	42.72	(0.19)	15.66	15.47	—	(1.32)	(1.32)
Year ended 3-31-2013	35.88	(0.17)	7.20	7.03	—	(0.19)	(0.19)
Year ended 3-31-2012	37.36	(0.23)	1.01	0.78	—	(2.26)	(2.26)
Year ended 3-31-2011	31.16	(0.16)	6.80	6.64	—	(0.44)	(0.44)
Class R Shares							
Year ended 3-31-2015	52.04	(0.52)	4.70	4.18	—	(1.17)	(1.17)
Year ended 3-31-2014	39.42	(0.46)	14.40	13.94	—	(1.32)	(1.32)
Year ended 3-31-2013	33.32	(0.36)	6.65	6.29	—	(0.19)	(0.19)
Year ended 3-31-2012	34.93	(0.40)	0.92	0.52	—	(2.13)	(2.13)
Year ended 3-31-2011	29.27	(0.32)	6.37	6.05	—	(0.39)	(0.39)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	57.21	(0.12)	4.78	4.66	—	(1.17)	(1.17)
Class Y Shares							
Year ended 3-31-2015	55.20	(0.35)	5.00	4.65	—	(1.17)	(1.17)
Year ended 3-31-2014	41.60	(0.31)	15.23	14.92	—	(1.32)	(1.32)
Year ended 3-31-2013	35.03	(0.26)	7.02	6.76	—	(0.19)	(0.19)
Year ended 3-31-2012	36.54	(0.31)	0.98	0.67	—	(2.18)	(2.18)
Year ended 3-31-2011	30.54	(0.23)	6.65	6.42	—	(0.42)	(0.42)

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Loss to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$55.95	8.48%	\$2,198	1.26%	-0.67%	—%	—%	32%
Year ended 3-31-2014	52.71	35.99	1,998	1.26	-0.63	—	—	35
Year ended 3-31-2013	39.79	19.28	759	1.37	-0.79	—	—	43
Year ended 3-31-2012	33.54	3.01	549	1.39	-1.02	—	—	51
Year ended 3-31-2011	35.09	21.09	568	1.40	-0.83	—	—	47
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	48.01	7.67	69	2.01	-1.42	—	—	32
Year ended 3-31-2014	45.73	34.91	71	2.04	-1.42	—	—	35
Year ended 3-31-2013	34.92	18.37	40	2.17	-1.59	—	—	43
Year ended 3-31-2012	29.69	2.15	32	2.24	-1.86	—	—	51
Year ended 3-31-2011	31.58	19.98	31	2.29	-1.72	—	—	47
Class C Shares								
Year ended 3-31-2015	49.63	7.73	999	1.95	-1.37	—	—	32
Year ended 3-31-2014	47.21	35.02	776	1.97	-1.34	—	—	35
Year ended 3-31-2013	35.99	18.47	278	2.07	-1.50	—	—	43
Year ended 3-31-2012	30.57	2.25	219	2.13	-1.76	—	—	51
Year ended 3-31-2011	32.41	20.17	230	2.15	-1.58	—	—	47
Class E Shares								
Year ended 3-31-2015	55.70	8.29	22	1.43	-0.84	1.55	-0.96	32
Year ended 3-31-2014	52.57	35.80	17	1.43	-0.80	1.63	-1.00	35
Year ended 3-31-2013	39.74	19.31	9	1.43	-0.85	1.91	-1.33	43
Year ended 3-31-2012	33.48	3.00	6	1.43	-1.06	2.01	-1.64	51
Year ended 3-31-2011	35.04	21.03	6	1.43	-0.87	2.08	-1.52	47
Class I Shares								
Year ended 3-31-2015	60.64	8.79	1,871	0.97	-0.39	—	—	32
Year ended 3-31-2014	56.87	36.37	1,411	0.99	-0.36	—	—	35
Year ended 3-31-2013	42.72	19.70	322	1.04	-0.46	—	—	43
Year ended 3-31-2012	35.88	3.37	186	1.06	-0.69	—	—	51
Year ended 3-31-2011	37.36	21.48	182	1.07	-0.50	—	—	47
Class R Shares								
Year ended 3-31-2015	55.05	8.15	114	1.57	-0.98	—	—	32
Year ended 3-31-2014	52.04	35.56	105	1.59	-0.96	—	—	35
Year ended 3-31-2013	39.42	18.96	56	1.64	-1.07	—	—	43
Year ended 3-31-2012	33.32	2.76	42	1.64	-1.27	—	—	51
Year ended 3-31-2011	34.93	20.83	35	1.61	-1.06	—	—	47
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	60.70	8.25	12	0.82 ⁽⁶⁾	-0.32 ⁽⁶⁾	—	—	32 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	58.68	8.53	1,030	1.22	-0.63	—	—	32
Year ended 3-31-2014	55.20	36.02	1,043	1.24	-0.61	—	—	35
Year ended 3-31-2013	41.60	19.40	552	1.29	-0.71	—	—	43
Year ended 3-31-2012	35.03	3.10	399	1.30	-0.93	—	—	51
Year ended 3-31-2011	36.54	21.18	445	1.31	-0.74	—	—	47

See Accompanying Notes to Financial Statements.

1. ORGANIZATION

Ivy Funds, a Delaware statutory trust (the “Trust”), is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. Ivy Asset Strategy Fund, Ivy Balanced Fund, Ivy Energy Fund, Ivy Global Natural Resources Fund, Ivy Global Real Estate Fund, Ivy Global Risk-Managed Real Estate Fund, Ivy Real Estate Securities Fund and Ivy Science and Technology Fund (each, a “Fund”) are eight series of the Trust and are the only series of the Trust included in these financial statements. The investment objective(s), policies and risk factors of each Fund are described more fully in the Funds’ Prospectus and Statement of Additional Information (“SAI”). Each Fund’s investment manager is Ivy Investment Management Company (“IICO” or the “Manager”).

Each Fund offers Class A, Class B, Class C, Class I, Class Y, and Class R shares. The Funds’ Class B shares are not available for purchase by new and existing investors. Class B shares will continue to be available for dividend reinvestment and exchanges from Class B shares of another fund within Ivy Funds. Certain Funds may also offer Class E shares. Class E shares are closed for all investments in the Ivy Balanced Fund and Ivy Energy Fund. Certain Funds may also offer Class R6 shares. Class A and Class E shares are sold at their offering price, which is normally net asset value (“NAV”) plus a front-end sales charge. For Class A shares, a 1% contingent deferred sales charge (“CDSC”) is only imposed on shares purchased at NAV for \$1 million or more that are subsequently redeemed within 12 months of purchase. Class B and Class C shares are sold without a front-end sales charge, but may be subject to a CDSC. Class I, Class R, Class R6 and Class Y shares are sold without either a front-end sales charge or a CDSC. All classes of shares have identical rights and voting privileges with respect to the Fund in general and exclusive voting rights on matters that affect that class alone. Net investment income, net assets and NAV per share may differ due to each class having its own expenses, such as transfer agent and shareholder servicing fees, directly attributable to that class. Class A, B, C, E, R and Y have a distribution and service plan. Class I shares and Class R6 shares are not included in the plan. Class B shares will automatically convert to Class A shares 96 months after the date of purchase.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by each Fund.

Security Transactions and Related Investment Income. Security transactions are accounted for on the trade date (date the order to buy or sell is executed). Realized gains and losses are calculated on the identified cost basis. Interest income is recorded on the accrual basis and includes paydown gain (loss) and accretion of discounts and amortization of premiums. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. All or a portion of the distributions received from a real estate investment trust or publicly traded partnership may be designated as a reduction of cost of the related investment and/or realized gain.

Foreign Currency Translation. Each Fund’s accounting records are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars daily, using foreign exchange rates obtained from an independent pricing service authorized by the Board of Trustees of the Trust (the “Board”). Purchases and sales of investment securities and accruals of income and expenses are translated at the rate of exchange prevailing on the date of the transaction. For assets and liabilities other than investments in securities, net realized and unrealized gains and losses from foreign currency translation arise from changes in currency exchange rates. Each Fund combines fluctuations from currency exchange rates and fluctuations in value when computing net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments. Foreign exchange rates are typically valued as of the close of the New York Stock Exchange (“NYSE”), normally 4:00 P.M. Eastern time, on each day the NYSE is open for trading.

Allocation of Income, Expenses, Gains and Losses. Income, expenses (other than those attributable to a specific class), gains and losses are allocated on a daily basis to each class of shares based upon the relative proportion of net assets represented by such class. Operating expenses directly attributable to a specific class are charged against the operations of that class.

Income Taxes. It is the policy of each Fund to distribute all of its taxable income and capital gains to its shareholders and otherwise qualify as a regulated investment company under Subchapter M of the Internal Revenue Code. In addition, each Fund intends to pay distributions as required to avoid imposition of excise tax. Accordingly, no provision has been made for Federal income taxes. Management of the Trust periodically reviews all tax positions to assess that it is more likely than not that the position would be sustained upon examination by the relevant tax authority based on the technical merits of each position. As of and for the year ended March 31, 2015, management believes that no liability for unrecognized tax positions is required. The Funds are subject to examination by U.S. federal and state authorities for returns filed for tax years after 2010.

Dividends and Distributions to Shareholders. Dividends and distributions to shareholders are recorded by each Fund on the business day following record date. Net investment income dividends and capital gains distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America (“U.S. GAAP”). If the total dividends and distributions made in any tax year exceeds net investment income and accumulated realized capital gains, a portion of the total distribution may be treated as a tax return of capital.

Segregation and Collateralization. In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (“SEC”) require that a Fund either deliver collateral or segregate assets in connection with certain investments (e.g., dollar rolls, financial futures contracts, foreign currency exchange contracts, options written, securities with extended settlement periods and swaps), the Fund will segregate collateral or designate on its books and records cash or other liquid securities having a value at least equal to the amount that is required to be physically segregated for the benefit of the counterparty. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party has requirements to deliver/deposit cash or securities as collateral for certain investments. Certain countries require that

cash reserves be held while investing in companies incorporated in that country. These cash reserves and cash collateral that has been pledged to cover obligations of the Funds under derivative contracts, if any, will be reported separately on the Statement of Assets and Liabilities as “Restricted cash.” Securities collateral pledged for the same purpose, if any, is noted on the Schedule of Investments.

Concentration of Market and Credit Risk. In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Funds may be exposed to counterparty credit risk, or the risk that an entity with which the Funds have unsettled or open transactions may fail to or be unable to perform on its commitments. The Funds manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Funds’ exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded on the Funds’ Statement of Assets and Liabilities, less any collateral held by the Funds.

Certain Funds may hold high-yield and/or non-investment-grade bonds, which may be subject to a greater degree of credit risk. Credit risk relates to the ability of the issuer to meet interest or principal payments or both as they become due. The Funds may acquire securities in default and are not obligated to dispose of securities whose issuers subsequently default.

Certain Funds may enter into financial instrument transactions (such as swaps, futures, options and other derivatives) that may have off-balance sheet market risk. Off-balance sheet market risk exists when the maximum potential loss on a particular financial instrument is greater than the value of such financial instrument, as reflected on the Statement of Assets and Liabilities.

If a Fund invests directly in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, or in financial derivatives that provide exposure to foreign currencies, it will be subject to the risk that those currencies will decline in value relative to the base currency of the Fund, or, in the case of hedging positions, that the Fund’s base currency will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad.

Inflation-Indexed Bonds. Certain Funds may invest in inflation-indexed bonds. Inflation-indexed bonds are fixed-income securities whose principal value is periodically adjusted to the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value, which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity.

Interest Only Obligations. These securities entitle the owner to receive only the interest portion from a bond, Treasury note or pool of mortgages. These securities are generally created by a third party separating a bond or pool of mortgages into distinct interest-only and principal-only securities. As the principal (par) amount of a bond or pool of mortgages is paid down, the amount of interest income earned by the owner will decline as well.

Loans. Certain Funds may invest in loans, the interest rates of which float or adjust periodically based upon a specified adjustment schedule, benchmark indicator, or prevailing interest rates, the debtor of which may be a domestic or foreign corporation, partnership or other entity (“Borrower”). Loans generally pay interest at rates which are periodically redetermined by reference to a base lending rate plus a premium. These base lending rates generally include prime rates of one or more major U.S. banks, London Interbank Offered Rate (“LIBOR”) rates or certificates of deposit rates. Loans often require prepayments from excess cash flow or permit the Borrower to repay at its election. The degree to which Borrowers repay cannot be predicted with accuracy. As a result, the actual maturity may be substantially less than the stated maturities. Loans are exempt from registration under the Securities Act of 1933, as amended, may contain certain restrictions on resale, and cannot be sold publicly. A Fund’s investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties.

When a Fund purchases assignments, it acquires all the rights and obligations under the loan agreement of the assigning lender. Assignments may, however, be arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than those held by the assigning lender. When a Fund purchases a participation of a loan interest, the Fund typically enters into a contractual agreement with the lender or other third party selling the participation. A participation interest in loans includes the right to receive payments of principal, interest and any fees to which it is entitled from the lender and only upon receipt by the lender of payments from the Borrower, but not from the Borrower directly. When investing in a participation interest, if a Borrower is unable to meet its obligations under a loan agreement, a Fund generally has no right to enforce compliance with the terms of the loan agreement. As a result, the Fund assumes the credit risk of the Borrower, the selling participant, and any other persons that are interpositioned between the Fund and the Borrower. If the lead lender in a typical lending syndicate becomes insolvent, enters Federal Deposit Insurance Corporation (“FDIC”) receivership or, if not FDIC insured, enters into bankruptcy, the Fund may incur certain costs and delays in receiving payment or may suffer a loss of principal and/or interest.

Payment In-Kind Securities. Certain Funds may invest in payment in-kind securities (“PIKs”). PIKs give the issuer the option at each interest payment date of making interest payments in either cash or additional debt securities. Those additional debt securities usually have the same terms,

including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a dirty price) and require a pro-rata adjustment from the unrealized appreciation or depreciation on investments to interest receivable on the Statement of Assets and Liabilities.

Securities on a When-Issued or Delayed Delivery Basis. Certain Funds may purchase securities on a “when-issued” basis, and may purchase or sell securities on a “delayed delivery” basis. “When-issued” or “delayed delivery” refers to securities whose terms and indenture are available and for which a market exists, but which are not available for immediate delivery. Delivery and payment for securities that have been purchased by a Fund on a when-issued basis normally take place within six months and possibly as long as two years or more after the trade date. During this period, such securities do not earn interest, are subject to market fluctuation and may increase or decrease in value prior to their delivery. The purchase of securities on a when-issued basis may increase the volatility of a Fund’s NAV to the extent the Fund executes such transactions while remaining substantially fully invested. When a Fund engages in when-issued or delayed delivery transactions, it relies on the buyer or seller, as the case may be, to complete the transaction. Their failure to do so may cause the Fund to lose the opportunity to obtain or dispose of the security at a price and yield IICO, or the Fund’s investment subadviser, as applicable, consider advantageous. The Fund maintains internally designated assets with a value equal to or greater than the amount of its purchase commitments. The Fund may also sell securities that it purchased on a when-issued or delayed delivery basis prior to settlement of the original purchase.

Custodian Fees. “Custodian fees” on the Statement of Operations may include interest expense incurred by a Fund on any cash overdrafts of its custodian account during the period. Such cash overdrafts may result from the effects of failed trades in portfolio securities and from cash outflows resulting from unanticipated shareholder redemption activity. A Fund pays interest to its custodian on such cash overdrafts, to the extent they are not offset by positive cash balances maintained by that Fund. The “Earnings credit” line item, if shown, represents earnings on cash balances maintained by that Fund during the period. Such interest expense and other custodian fees may be paid with these earnings.

Independent Trustees and Chief Compliance Officer Fees. Fees paid to the Independent Trustees can be paid in cash or deferred to a later date, at the election of the Trustee according to the Deferred Fee Agreement entered into between the Trust and the Trustee(s). Each Fund records its portion of the deferred fees as a liability on the Statement of Assets and Liabilities. All fees paid in cash plus any appreciation (depreciation) in the underlying deferred plan are shown on the Statement of Operations. Additionally, fees paid to the office of the Chief Compliance Officer of the Funds are shown on the Statement of Operations.

Indemnifications. The Trust’s organizational documents provide current and former Trustees and Officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Trust. In the normal course of business, the Trust may also enter into contracts that provide general indemnification. The Trust’s maximum exposure under these arrangements is unknown and is dependent on future claims that may be made against the Trust. The risk of material loss from such claims is considered remote.

Basis of Preparation. Each Fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 (“ASC 946”). The accompanying financial statements were prepared in accordance with U.S. GAAP, including but not limited to ASC 946. U.S. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Subsequent Events. Management has performed a review for subsequent events through the date this report was issued.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

Each Fund’s investments are reported at fair value. Fair value is defined as the price that each Fund would receive upon selling an asset or would pay upon satisfying a liability in an orderly transaction between market participants at the measurement date. Each Fund calculates the NAV of its shares as of the close of the NYSE, normally 4:00 P.M. Eastern time, on each day the NYSE is open for trading.

For purposes of calculating the NAV, the portfolio securities and other assets are valued on each business day using pricing and valuation methods as adopted by the Board. Where market quotes are readily available, fair value is generally determined on the basis of last reported sales prices, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Prices for fixed-income securities are typically based on quotes that are obtained from an independent pricing service authorized by the Board. To determine values of fixed-income securities, the independent pricing service utilizes such factors as current quotations by broker/dealers, coupon, maturity, quality, type of issue, trading characteristics, and other yield and risk factors it deems relevant in determining valuations. Securities that cannot be valued by the independent pricing service may be valued using quotes obtained from dealers that make markets in the securities.

Short-term securities with maturities of 60 days or less are valued on the basis of amortized cost (which approximates value), whereby a portfolio security is valued at its cost initially, and thereafter valued to reflect a constant amortization to maturity of any discount or premium.

Because many foreign markets close before the NYSE, events may occur between the close of the foreign market and the close of the NYSE that could have a material impact on the valuation of foreign securities. Waddell & Reed Services Company (“WRSCO”), pursuant to procedures adopted by the Board, evaluates the impact of these events and may adjust the valuation of foreign securities to reflect the fair value as of the close of the NYSE. In addition, all securities for which values are not readily available or are deemed unreliable are appraised at fair value as determined in good faith under the supervision of the Board.

Where market quotes are not readily available, portfolio securities or assets are valued at fair value, as determined in good faith by the Board or Valuation Committee pursuant to procedures approved by the Board.

Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information or broker quotes), including where events occur after the close of the relevant market, but prior to the NYSE close, that materially affect the values of a Fund's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available.

The Board has delegated to WRSCO the responsibility for monitoring significant events that may materially affect the values of a Fund's securities or assets and for determining whether the value of the applicable securities or assets should be re-evaluated in light of such significant events. The Board has established a Valuation Committee to administer and oversee the valuation process, including the use of third party pricing vendors.

The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available. For instances in which daily market quotes are not readily available, investments may be valued, pursuant to procedures established by the Board, with reference to other securities or indices. In the event that the security or asset cannot be valued pursuant to one of the valuation methods established by the Board, the value of the security or asset will be determined in good faith by the Valuation Committee in accordance with the procedures adopted by the Board.

When a Fund uses these fair valuation methods applied by WRSCO that use significant unobservable inputs to determine its NAV, securities will be priced by a method that the Board or persons acting at their direction believe accurately reflects fair value and are categorized as Level 3 of the fair value hierarchy. These methods may require subjective determinations about the value of a security. The prices used by a Fund may differ from the value that will ultimately be realized at the time the securities were sold.

WRSCO is responsible for monitoring the implementation of the pricing and valuation policies through a series of activities to provide reasonable comfort of the accuracy of prices including: 1) periodic vendor due diligence meetings to review methodologies, new developments, and process at vendors, 2) daily and monthly multi-source pricing comparisons reviewed and submitted to the Valuation Committee, and 3) daily review of unpriced, stale, and variance reports with exceptions reviewed by management and the Valuation Committee.

Accounting standards establish a framework for measuring fair value and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the factors that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

An individual investment's fair value measurement is assigned a level based upon the observability of the inputs which are significant to the overall valuation.

The three-tier hierarchy of inputs is summarized as follows:

Level 1 – Observable input such as quoted prices, available in active markets, for identical assets or liabilities.

Level 2 – Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

Level 3 – Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

A description of the valuation techniques applied to the Funds' major classes of assets and liabilities measured at fair value on a recurring basis follows:

Asset-Backed Securities and Mortgage-Backed Securities. The fair value of asset-backed securities and mortgage-backed securities are estimated using recently executed transactions and based on models that consider the estimated cash flows of each debt tranche of the issuer, establish a benchmark yield, and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche including, but not limited to, the prepayment speed assumptions and attributes of the collateral. To the extent the inputs are observable and timely, the values would be categorized in Level 2 of the fair value hierarchy, and otherwise they would be categorized as Level 3.

Bullion. The fair value of bullion is at the last settlement price at the end of each day on the board of trade or exchange upon which they are traded and are categorized in Level 1 of the fair value hierarchy.

Corporate Bonds. The fair value of corporate bonds, as obtained from an independent pricing service, is estimated using various techniques, which consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. While most corporate bonds are categorized in Level 2 of the fair value hierarchy, in instances where lower relative weight is placed on transaction prices, quotations, or similar observable inputs, they are categorized in Level 3 of the fair value hierarchy.

Derivative Instruments. Forward foreign currency contracts are valued based upon the closing prices of the forward currency rates determined at the close of the NYSE provided by an independent pricing service. Swaps are valued by an independent pricing service unless the price is unavailable, in

which case they are valued at the price provided by a dealer in that security. Futures contracts traded on an exchange are generally valued at the settlement price. Listed options are ordinarily valued at the mean of the last bid and ask price provided by an independent pricing service unless the price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer. Over-the-counter ("OTC") options are ordinarily valued at the mean of the last bid and ask price provided by an independent pricing service for a comparable listed option unless such a price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer. If no comparable listed option exists from which to obtain a price from an independent pricing service and a quotation cannot be obtained from a broker-dealer, the OTC option will be valued using a model reasonably designed to provide a current market price.

Listed derivatives that are actively traded are valued based on quoted prices from the exchange and are categorized in Level 1 of the fair value hierarchy. OTC derivative contracts include forward foreign currency contracts, swap agreements, and option contracts related to interest rates, foreign currencies, credit standing of reference entities, equity prices, or commodity prices. Depending on the product and the terms of the transaction, the fair value of the OTC derivative products are modeled taking into account the counterparties' creditworthiness and using a series of techniques, including simulation models. Many pricing models do not entail material subjectivity because the methodologies employed do not necessitate significant judgments and the pricing inputs are observed from actively quoted markets, as is the case with interest rate swap and option contracts. OTC derivative products valued using pricing models with significant observable inputs are categorized within Level 2 of the fair value hierarchy.

Equity Securities. Equity securities traded on U.S. or foreign securities exchanges or included in a national market system are valued at the official closing price at the close of each business day unless otherwise stated below. OTC equity securities and listed securities for which no price is readily available are valued at the average of the last bid and asked prices.

Mutual funds, including investment funds, typically are valued at the NAV reported as of the valuation date.

Securities that are stated at the last reported sales price or closing price on the day of valuation taken from the primary exchange where the security is principally traded and to the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

Foreign securities, for which the primary trading market closes at the same time or after the NYSE, are valued based on quotations from the primary market in which they are traded and categorized in Level 1. Because many foreign securities markets and exchanges close prior to the close of the NYSE, closing prices for foreign securities in those markets or on those exchanges do not reflect the events that occur after that close. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intra-day trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, exchange-traded funds, and the movement of certain indices of securities based on a statistical analysis of their historical relationship; such valuations generally are categorized in Level 2.

Preferred stock, repurchase agreements, and other equities traded on inactive markets or valued by reference to similar instruments are also generally categorized in Level 2.

Loans. Loans are valued using a price or composite price from one or more brokers or dealers as obtained from an independent pricing service. The fair value of loans is estimated using recently executed transactions, market price quotations, credit/market events, and cross-asset pricing. Inputs are generally observable market inputs obtained from independent sources. Loans are generally categorized in Level 2 of the fair value hierarchy, unless key inputs are unobservable in which case they would be categorized as Level 3.

Municipal Bonds. Municipal bonds are fair valued based on pricing models used by and obtained from an independent pricing service that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-wants lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond insurance. To the extent that these inputs are observable and timely, the fair values of municipal bonds would be categorized as Level 2; otherwise the fair values would be categorized as Level 3.

Restricted Securities. Restricted securities that are deemed to be both Rule 144A securities and illiquid, as well as restricted securities held in non-public entities, are included in Level 3 of the fair value hierarchy because they trade infrequently, and, therefore, the inputs are unobservable. Restricted securities that are valued at a discount to similar publicly traded securities may be categorized as Level 2 of the fair value hierarchy to the extent that the discount is considered to be insignificant to the fair value measurement in its entirety; otherwise they may be categorized as Level 3.

U.S. Government and Agency Securities. U.S. government and agency securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, quoted market prices, and reference data. Accordingly, U.S. government and agency securities are normally categorized in Level 1 or 2 of the fair value hierarchy depending on the liquidity and transparency of the market.

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. Transfers between levels represent the values as of the beginning of the reporting period.

For fair valuations using unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to total realized and unrealized gains or losses, purchases and sales, and transfers in or out of the Level 3 category during the period. The beginning of period timing recognition is used for the transfers between Levels of the Funds' assets and liabilities. In accordance with the requirements of U.S. GAAP, a fair value hierarchy and Level 3 reconciliation, if any, have been included in the Notes to the Schedule of Investments for each respective Fund.

Net realized gain (loss) and net unrealized appreciation (depreciation), shown on the reconciliation of Level 3 investments if applicable, are included on the Statement of Operations in net realized gain (loss) on investments in unaffiliated securities and in net change in unrealized appreciation (depreciation) on investments in unaffiliated securities, respectively. Additionally, the net change in unrealized appreciation for all Level 3 investments still held as of March 31, 2015, if applicable, is included on the Statement of Operations in net change in unrealized appreciation (depreciation) on investments in unaffiliated securities.

The Funds may own different types of assets that are classified as Level 2 or Level 3. Assets classified as Level 2 can have a variety of observable inputs, including, but not limited to, benchmark yields, reported trades, broker quotes, benchmark securities, and bid/offer quotations. These observable inputs are collected and utilized, primarily by an independent pricing service, in different evaluated pricing approaches depending upon the specific asset to determine a value.

4. DERIVATIVE INSTRUMENTS (\$ amounts in thousands unless indicated otherwise)

The following disclosures contain information on why and how the Funds use derivative instruments, the associated risks of investing in derivative instruments, and how derivative instruments affect the Funds' financial positions and results of operations when presented by primary underlying risk exposure.

Forward Foreign Currency Contracts. Certain Funds may enter into forward foreign currency contracts ("forward contracts") for the purchase or sale of a foreign currency at a negotiated rate at a future date. Forward contracts are reported on a schedule following the Schedule of Investments. Forward contracts will be valued daily based upon the closing prices of the forward currency rates provided by an independent pricing service determined at the close of the NYSE as provided by a bank, dealer or independent pricing service. The resulting unrealized appreciation and depreciation is reported on the Statement of Assets and Liabilities as a receivable or payable and on the Statement of Operations within the change in unrealized appreciation (depreciation). At contract close, the difference between the original cost of the contract and the value at the close date is recorded as a realized gain (loss) on the Statement of Operations.

Risks to a Fund related to the use of such contracts include both market and credit risk. Market risk is the risk that the value of the forward contract will depreciate due to unfavorable changes in the exchange rates. Credit risk arises from the possibility that the counterparty will default. If the counterparty defaults, a Fund's maximum loss will consist of the aggregate unrealized gain on appreciated contracts that is not collateralized.

Futures Contracts. Certain Funds may engage in buying and selling futures contracts. Upon entering into a futures contract, the Fund is required to deposit, in a segregated account, an amount equal to a varying specified percentage of the contract amount. This amount is known as the initial margin. Subsequent payments (variation margins) are made or received by the Fund each day, dependent on the daily fluctuations in the value of the underlying debt security or index.

Futures contracts are reported on a schedule following the Schedule of Investments. Securities held in collateralized accounts to cover initial margin requirements on open futures contracts are identified on the Schedule of Investments. Cash held by the broker to cover initial margin requirements on open futures contracts and the receivable and/or payable for the daily mark to market for the variation margin are noted on the Statement of Assets and Liabilities. The net change in unrealized appreciation (depreciation) is reported on the Statement of Operations. Realized gains (losses) are reported on the Statement of Operations at the closing or expiration of futures contracts.

Risks of entering into futures contracts include the possibility of loss of securities or cash held as collateral, that there may be an illiquid market where the Fund is unable to close the contract or enter into an offsetting position and, if used for hedging purposes, the risk that the price of the contract will correlate imperfectly with the prices of the Fund's securities.

Option Contracts. Options purchased by a Fund are accounted for in the same manner as portfolio securities. The cost of instruments acquired through the exercise of call options is increased by the premium paid to purchase the call. The proceeds from instruments sold through the exercise of put options are decreased by the premium paid to purchase the put.

When a Fund writes (sells) an option, an amount equal to the premium received by the Fund is recorded as a liability. The amount of the liability is subsequently adjusted to reflect the current value of the option written. When an option expires on its stipulated expiration date or a Fund enters into a closing purchase transaction, the Fund realizes a gain (or loss if the cost of a closing purchase transaction exceeds the premium received when the call option was sold), and the liability related to such option is extinguished. When a written call option is exercised, the premium is added to the proceeds from the sale of the underlying instrument in determining whether a Fund has realized a gain or loss. For each Fund, when a written put is exercised, the cost basis of the instruments purchased by a Fund is reduced by the amount of the premium received.

Investments in options, whether purchased or written, involve certain risks. Writing put options and purchasing call options may increase a Fund's exposure to the underlying instrument. With written options, there may be times when a Fund will be required to purchase or sell instruments to meet its obligation under the option contract where the required action is not beneficial to the Fund, due to unfavorable movement of the market price of the underlying instrument. Additionally, to the extent a Fund enters into OTC option transactions with counterparties, the Fund will be exposed to the risk that counterparties to these OTC transactions will be unable to meet their obligations under the terms of the transaction.

Swap Agreements. Certain Funds may invest in swap agreements.

Total return swaps involve a commitment to pay periodic interest payments in exchange for a market-linked return based on a security or a basket of securities representing a variety of securities or a particular index. To the extent the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Fund will receive a payment from or make a payment to the counterparty.

The creditworthiness of the counterparty with which a Fund enters into a swap agreement is monitored by IICO. If a firm's creditworthiness declines, the value of the agreement would likely decline, potentially resulting in losses. If a default occurs by the counterparty to such a transaction, the Fund will have contractual remedies pursuant to the agreement related to the transaction. The maximum loss a Fund may incur consists of the aggregate unrealized gain on appreciated contracts that is not collateralized.

Collateral and rights of offset. A Fund may mitigate credit risk with respect to OTC derivative counterparties through credit support annexes ("CSA") included with an International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreement which is the standard contract governing most derivative transactions between the Fund and each of its counterparties. The CSA allows the Fund and its counterparty to offset certain derivative financial instruments' payables and/or receivables against each other and/or with collateral, which is generally held by the Fund's custodian. The amount of collateral moved to/from applicable counterparties is based upon minimum transfer amounts specified in the CSA. To the extent amounts due to the Fund from its counterparties are not fully collateralized contractually or otherwise, the Fund bears the risk of loss from counterparty non-performance. See Note 2 "Segregation and Collateralization" for additional information with respect to collateral practices.

Offsetting of Assets and Liabilities. FASB Accounting Standards Update 2011-11, Disclosures about Offsetting Assets and Liabilities, requires an entity that has financial instruments that are either (1) offset or (2) subject to an enforceable master netting arrangement or similar agreement to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position.

The following tables present financial instruments subject to master netting agreements as of March 31, 2015:

Assets

Fund	Gross Amounts of Recognized Assets	Gross Amounts Offset on the Statement of Assets and Liabilities	Net Amounts of Assets Presented on the Statement of Assets and Liabilities	Gross Amounts Not Offset on the Statement of Assets and Liabilities			
				Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Received	Cash Collateral Received	Net Amount Receivable
Asset Strategy Fund							
Investments in unaffiliated securities at value*	\$21,117	\$—	\$21,117	\$(13,659)	\$(6,213)	\$—	\$1,245
Global Natural Resources Fund							
Unrealized appreciation on forward foreign currency contracts ⁽¹⁾	\$1,403	\$—	\$ 1,403	\$ —	\$(1,403)	\$—	\$ —

* Purchased options are reported as investments in unaffiliated securities on the Statement of Assets and Liabilities.

(1) Amounts include forward contracts that have an offset to an open and close contract, but have not settled. These amounts are included on the Statement of Assets and Liabilities line item for Investment securities sold receivable.

Liabilities

Fund	Gross Amounts of Recognized Liabilities	Gross Amounts Offset on the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented on the Statement of Assets and Liabilities	Gross Amounts Not Offset on the Statement of Assets and Liabilities			
				Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Pledged	Cash Collateral Pledged	Net Amount Payable
Asset Strategy Fund							
Unrealized depreciation on forward foreign currency contracts	\$8,186	\$—	\$ 8,186	\$ —	\$(7,875)	\$—	\$ 311
Written options at value	17,747	—	17,747	(13,659)	(1,853)	—	2,235
Total	\$25,933	\$—	\$25,933	\$(13,659)	\$(9,728)	\$—	\$2,546

Additional Disclosure Related to Derivative Instruments

Fair values of derivative instruments as of March 31, 2015:

Fund	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Ivy Asset Strategy Fund	Equity	Investments in unaffiliated securities at value*	\$22,492	Written options at value	\$17,747
	Equity	Unrealized appreciation on futures contracts**	4,323		—
	Foreign currency		—	Unrealized depreciation on forward foreign currency contracts	8,186
Ivy Global Natural Resources Fund	Foreign currency	Unrealized appreciation on forward foreign currency contracts	1,283		—

* Purchased options are reported as investments in unaffiliated securities and are reflected on the accompanying Schedule of Investments.

** The value presented includes cumulative gain (loss) on open futures contracts; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) as of year ended March 31, 2015.

Amount of realized gain (loss) on derivatives recognized on the Statement of Operations for the year ended March 31, 2015:

Fund	Type of Risk Exposure	Net realized gain (loss) on:					Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	
Ivy Asset Strategy Fund	Equity	\$(151,546)	\$(138,463)	\$53,332	\$141,350	\$ —	\$ (95,327)
	Foreign currency	—	—	—	—	132,774	132,774
Ivy Global Natural Resources Fund	Foreign currency	—	—	—	—	12,501	12,501
Ivy Science and Technology Fund	Equity	(3,451)	—	—	3,467	—	16

* Purchased options are reported as investments in unaffiliated securities and are reflected on the accompanying Schedule of Investments.

Change in unrealized appreciation (depreciation) on derivatives recognized on the Statement of Operations for the year ended March 31, 2015:

Fund	Type of Risk Exposure	Net change in unrealized appreciation (depreciation) on:					Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	
Ivy Asset Strategy Fund	Equity	\$14,184	\$—	\$4,323	\$(6,109)	\$ —	\$ 12,398
	Foreign currency	—	—	—	—	(44,418)	(44,418)
Ivy Global Natural Resources Fund	Foreign currency	—	—	—	—	3,123	3,123

* Purchased options are reported as investments in unaffiliated securities and are reflected on the accompanying Schedule of Investments.

During the year ended March 31, 2015, the average derivative volume was as follows:

Fund	Forward foreign currency contracts ⁽¹⁾	Long futures contracts ⁽¹⁾	Short futures contracts ⁽¹⁾	Swap agreements ⁽²⁾	Purchased options ⁽¹⁾	Written options ⁽¹⁾
Ivy Asset Strategy Fund	\$7,517	\$125,604	\$—	\$909,754	\$40,231	\$28,134
Ivy Global Natural Resources Fund	564	—	—	—	—	—
Ivy Science and Technology Fund	—	—	—	—	1,241	1,242

(1) Average value outstanding during the period.

(2) Average notional amount outstanding during the period.

The derivative instruments outstanding as of period end and the amounts of realized and changes in unrealized gains and losses on derivative instruments during the period, as disclosed in the Statement of Operations and Notes to Schedule of Investments, serve as indicators of the volume of derivative activity for the Funds.

Objectives and Strategies

Ivy Asset Strategy Fund. The Fund's objectives in using derivatives during the period included hedging market risk on equity securities, increasing exposure to various equity markets, managing exposure to various foreign currencies, and hedging certain event risks on positions held by the Fund. To achieve the objective of hedging market risk and increasing exposure to equity markets, the Fund utilized futures, and option contracts on foreign

and domestic equity indices. To manage foreign currency exposure, the Fund utilized forward contracts and option contracts to either increase or decrease exposure to a given currency. To manage event risks, the Fund utilized total return swaps, short futures on foreign and domestic equity indices and option contracts, both written and purchased, on individual equity securities owned by the Fund.

Ivy Global Natural Resources Fund. The Fund's objective in using derivatives during the period was to manage the exposure to various foreign currencies. To achieve this objective, the Fund utilized forward contracts to either increase or decrease exposure to a given currency.

Ivy Science and Technology Fund. The Fund's objective in using derivatives during the period was to hedge market risk on securities in its portfolio. To achieve this objective, the Fund utilized options, both written and purchased, on individual equity securities owned by the Fund and on domestic equity indices.

5. WRITTEN OPTION ACTIVITY (\$ amounts in thousands)

Transactions in written options were as follows:

Fund	Outstanding at 3-31-14	Options written	Options closed	Options exercised	Options expired	Outstanding at 3-31-15
Ivy Asset Strategy Fund						
Number of Contracts	254,312	15,099,607	(14,547,839)	(41,087)	(543,094)	221,899
Premium Received	\$ 60,246	\$ 170,025	\$ (96,989)	\$ (1,762)	\$ (99,273)	\$ 32,247
Ivy Science and Technology Fund						
Number of Contracts	N/A	119,223	(119,223)	—	—	N/A
Premium Received	N/A	\$ 6,692	\$ (6,692)	\$ —	\$ —	N/A

6. BASIS FOR CONSOLIDATION OF THE IVY ASSET STRATEGY FUND

Ivy ASF II, Ltd. (the "Subsidiary"), a Cayman Islands exempted company, was incorporated as a wholly owned subsidiary acting as an investment vehicle for the Ivy Asset Strategy Fund (referred to as "the Fund" in this subsection). Ivy ASF III (SBP), LLC and Ivy ASF, LLC (each a "Company", collectively "the Companies"), Delaware limited liability companies, were incorporated as wholly owned companies acting as investment vehicles for the Fund. Each Subsidiary and Company acts as an investment vehicle for the Fund, in order to effect certain investments for the Fund consistent with the Fund's investment objectives and policies as specified in its prospectus and SAI.

The Fund's investment portfolio has been consolidated and includes the portfolio holdings of the Fund, its Subsidiary and the Companies. The consolidated financial statements include the accounts of the Fund and its Subsidiary and the Companies. All inter-company transactions and balances have been eliminated. A subscription agreement was entered into between the Fund and its Subsidiary and each Company comprising the entire issued share capital of the Subsidiary and each Company with the intent that the Fund will remain the sole shareholder and retain all rights. Under the Articles of Association, shares issued by the Subsidiary and each Company confer upon a shareholder the right to receive notice of, to attend and to vote at general meetings of the Subsidiary and each Company and shall confer upon the shareholder rights in a winding-up or repayment of capital and the right to participate in the profits or assets of the Subsidiary and each Company.

See the table below for details regarding the structure, incorporation and relationship as of March 31, 2015 of each Subsidiary and Company to the Fund (amounts in thousands).

Subsidiary/Company	Date of Incorporation	Subscription Agreement	Fund Net Assets	Subsidiary Net Assets	Percentage of Fund Net Assets
Ivy ASF II, Ltd.	1-31-13	4-10-13	\$25,200,709	\$1,691,972	6.71%
Ivy ASF III (SBP), LLC	4-9-13	4-23-13	25,200,709	708,584	2.81
Ivy ASF, LLC	12-10-12	12-18-12	25,200,709	310,643	1.23

7. INVESTMENT MANAGEMENT AND PAYMENTS TO AFFILIATED PERSONS (\$ amounts in thousands unless indicated otherwise)

Management Fees. IICO, a wholly owned subsidiary of Waddell & Reed Financial, Inc. ("WDR"), serves as each Fund's investment manager. The management fee is accrued daily by each Fund at the following annual rates as a percentage of average daily net assets:

Fund (M - Millions)	\$0 to \$500M	\$500 to \$1,000M	\$1,000 to \$2,000M	\$2,000 to \$3,000M	Over \$3,000M
Ivy Asset Strategy Fund	0.700%	0.700%	0.650%	0.600%	0.550%
Ivy Balanced Fund	0.700	0.700	0.650	0.600	0.550
Ivy Energy Fund	0.850	0.850	0.830	0.800	0.760
Ivy Global Natural Resources Fund	1.000	0.850	0.830	0.800	0.760
Ivy Global Real Estate Fund	0.950	0.950	0.920	0.870	0.840
Ivy Global Risk-Managed Real Estate Fund	0.950	0.950	0.920	0.870	0.840
Ivy Real Estate Securities Fund	0.900	0.900	0.870	0.840	0.800
Ivy Science and Technology Fund	0.850	0.850	0.830	0.800	0.760

For Funds managed solely by IICO, IICO has voluntarily agreed to waive a Fund's management fee on any day that the Fund's net assets are less than \$25 million, subject to IICO's right to change or modify this waiver. See Expense Reimbursements and/or Waivers below for amounts waived during the year ended March 31, 2015.

IICO has entered into Subadvisory Agreements with the following entities on behalf of certain Funds:

Under an agreement between IICO and Advantus Capital Management, Inc. (“Advantus”), Advantus serves as subadviser to Ivy Real Estate Securities Fund. Under an agreement between IICO and LaSalle Investment Management Securities, LLC (“LaSalle US”), LaSalle US serves as subadviser to Ivy Global Real Estate Fund and Ivy Global Risk-Managed Real Estate Fund. Each subadviser makes investment decisions in accordance with the Fund’s investment objectives, policies and restrictions under the supervision of IICO and the oversight of the Board. IICO pays all applicable costs of the subadvisers.

Accounting Services Fees. The Trust has an Accounting and Administrative Services Agreement with WRSCO, doing business as WI Services Company (“WISC”), an indirect subsidiary of WDR. Under the agreement, WISC acts as the agent in providing bookkeeping and accounting services and assistance to the Trust, including maintenance of Fund records, pricing of Fund shares and preparation of certain shareholder reports. For these services, each Fund pays WISC a monthly fee of one-twelfth of the annual fee based on the average net asset levels shown in the following table:

(M - Millions)	\$0 to \$10M	\$10 to \$25M	\$25 to \$50M	\$50 to \$100M	\$100 to \$200M	\$200 to \$350M	\$350 to \$550M	\$550 to \$750M	\$750 to \$1,000M	Over \$1,000M
Annual Fee Rate	\$0.00	\$11.50	\$23.10	\$35.50	\$48.40	\$63.20	\$82.50	\$96.30	\$121.60	\$148.50

In addition, for each class of shares in excess of one, each Fund pays WISC a monthly per-class fee equal to 2.5% of the monthly accounting services base fee.

Each Fund also pays WISC a monthly administrative fee at the annual rate of 0.01%, or one basis point, for the first \$1 billion of net assets with no fee charged for net assets in excess of \$1 billion. This fee is voluntarily waived by WISC until a Fund’s net assets are at least \$10 million and is included in “Accounting services fee” on the Statement of Operations.

Shareholder Servicing. General. Under the Shareholder Servicing Agreement between the Trust and WISC, with respect to Class A, Class B, Class C and Class E shares, for each shareholder account that was in existence at any time during the prior month, each Fund pays a monthly fee that ranges from \$1.5042 to \$1.6958 per account; however, WISC has agreed to reduce that fee if the number of total shareholder accounts within the Complex (Waddell & Reed Advisors Funds, InvestEd Portfolios and Ivy Funds) reaches certain levels. Effective June 6, 2011 for Class R shares, each Fund pays a monthly fee equal to one-twelfth of 0.25 of 1% of the average daily net assets of the class for the preceding month. Prior to June 6, 2011 the fee was 0.20 of 1%. For Class I and Class Y shares, each Fund pays a monthly fee equal to one-twelfth of 0.15 of 1% of the average daily net assets of the class for the preceding month. For Class R6 shares, each Fund pays WISC a monthly fee equal to one-twelfth of 0.01 of 1% of the average daily net assets of the class for the preceding month. Each Fund also reimburses WISC for certain out-of-pocket costs for all classes.

Networked accounts. For certain networked accounts (that is, those accounts whose Fund shares are purchased through certain financial intermediaries), WISC has agreed to reduce its per account fees charged to the Funds to \$0.50 per month per shareholder account. Additional fees may be paid by the Funds to those intermediaries. If the aggregate annual rate of the WISC transfer agent fee and the costs charged by the financial services companies exceeds \$18.00 per account for a Fund, WISC will reimburse the Fund the amount in excess of \$18.00.

Broker accounts. Certain broker-dealers that maintain shareholder accounts with each Fund through an omnibus account provide transfer agent and other shareholder-related services that would otherwise be provided by WISC if the individual accounts that comprise the omnibus account were opened by their beneficial owners directly. Each Fund may pay such broker-dealers a per account fee for each open account within the omnibus account, or a fixed rate fee, based on the average daily NAV of the omnibus account (or a combination thereof).

Distribution and Service Plan. Class A and Class E Shares. Under a Distribution and Service Plan adopted by the Trust pursuant to Rule 12b–1 under the 1940 Act (the “Distribution and Service Plan”), each Fund may pay a distribution and/or service fee to Ivy Funds Distributors, Inc. (“IFDI”) for Class A and Class E shares in an amount not to exceed 0.25% of the Fund’s average annual net assets. The fee is to be paid to compensate IFDI for amounts it expends in connection with the distribution of the Class A and Class E shares and/or provision of personal services to Fund shareholders and/or maintenance of shareholder accounts of that class.

Class B and Class C Shares. Under the Distribution and Service Plan, each Fund may pay IFDI a service fee not to exceed 0.25% and a distribution fee not to exceed 0.75% of the Fund’s average annual net assets for Class B and Class C shares to compensate IFDI for its services in connection with the distribution of shares of that class and/or provision of personal services to Class B or Class C shareholders and/or maintenance of shareholder accounts of that class.

Class R Shares. Under the Distribution and Service Plan, each Fund may pay IFDI a fee of up to 0.50%, on an annual basis, of the average daily net assets of the Fund’s Class R shares to compensate IFDI for, either directly or through third parties, distributing the Class R shares of that Fund, providing personal services to Class R shareholders and/or maintaining Class R shareholder accounts.

Class Y Shares. Under the Distribution and Service Plan, each Fund may pay IFDI a fee of up to 0.25%, on an annual basis, of the average daily net assets of the Fund’s Class Y shares to compensate IFDI for, either directly or through third parties, distributing the Class Y shares of that Fund, providing personal services to Class Y shareholders and/or maintaining Class Y shareholder accounts.

Sales Charges. As principal underwriter for the Trust's shares, IFDI receives sales commissions (which are not an expense of the Trust) for sales of Class A and Class E shares. A CDSC may be assessed against a shareholder's redemption amount of Class B, Class C or certain Class A and Class E shares and is paid to IFDI. During the year ended March 31, 2015, IFDI received the following amounts in sales commissions and CDSCs:

	Gross Sales Commissions	CDSC				Commissions Paid ⁽¹⁾
		Class A	Class B	Class C	Class E	
Ivy Asset Strategy Fund	\$ 2,988	\$ 216	\$ 1,016	\$ 1,149	\$ —	\$ 8,473
Ivy Balanced Fund	1,327	7	110	92	—	2,169
Ivy Energy Fund	446	4	6	12	—	717
Ivy Global Natural Resources Fund	564	1	39	9	—	593
Ivy Global Real Estate Fund	33	—*	—*	—*	—	32
Ivy Global Risk-Managed Real Estate Fund	54	—*	—	—*	—	54
Ivy Real Estate Securities Fund	512	1	4	4	—	487
Ivy Science and Technology Fund	1,690	16	73	205	—	2,954

* Not shown due to rounding.

(1) IFDI reallocated/paid this portion of the sales charge to financial advisors and selling broker-dealers.

Expense Reimbursements and/or Waivers. Fund and class expense limitations and related waivers/reimbursements for the year ended March 31, 2015 were as follows:

Fund Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Ivy Asset Strategy Fund	Class E	Contractual	8-1-2008	7-31-2015	1.00%	\$ 75	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$326	12b-1 Fees and/or Shareholder Servicing
Ivy Balanced Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Energy Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Global Natural Resources Fund	Class E	Contractual	8-1-2008	7-31-2015	1.27%	\$ 51	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Global Real Estate Fund	Class A	Contractual	4-1-2013	7-31-2015	1.51%	\$164	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	4-1-2013	7-31-2015	Not to exceed Class A	\$ 3	12b-1 Fees and/or Shareholder Servicing
Ivy Global Risk-Managed Real Estate Fund	Class A	Contractual	4-1-2013	7-31-2015	1.51%	\$ 99	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	4-1-2013	7-31-2015	Not to exceed Class A	\$ 8	12b-1 Fees and/or Shareholder Servicing
Ivy Real Estate Securities Fund	All Classes	Contractual	12-3-2012	7-31-2015	N/A	\$665 ⁽¹⁾	Investment Management Fee
	Class E	Contractual	8-1-2008	7-31-2015	1.67%	\$ 5	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Science and Technology Fund	Class E	Contractual	8-1-2008	7-31-2015	1.43%	\$ 22	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A

(1) The Fund's investment management fee is being reduced by 0.10% of average daily net assets until July 31, 2015.

Any amounts due to the Funds as a reimbursement but not paid as of March 31, 2015 are shown as a receivable from affiliates on the Statement of Assets and Liabilities.

8. INTERFUND LENDING PROGRAM

Pursuant to an exemptive order issued by the SEC ("Order"), the Trust and the Advisors Fund Complex (Waddell & Reed Advisors Funds, Ivy Funds Variable Insurance Portfolios and InvestEd Portfolios; referred to with the Funds for purposes of this section as Funds) have the ability to lend money to, and borrow money from, each other pursuant to a master interfund lending agreement ("Interfund Lending Program"). Under the Interfund Lending Program, the Funds may lend or borrow money for temporary purposes directly to or from one another (each an "Interfund Loan"), subject to meeting the conditions of the Order. The interest rate to be charged on an Interfund Loan is the average of the overnight repurchase agreement rate and the short-term bank loan rate. The Funds made no Interfund Loans under the Interfund Lending Program during the year ended March 31, 2015.

9. AFFILIATED COMPANY TRANSACTIONS (All amounts in thousands)

A summary of the transactions in affiliated companies during the year ended March 31, 2015 follows:

	3-31-14 Share Balance	Purchases at cost	Sales at Cost	Realized Gain/(Loss)	Distributions Received	3-31-15 Share Balance	3-31-15 Value
Ivy Asset Strategy Fund							
Galaxy Entertainment Group ⁽¹⁾	229,601	\$ —	\$194,091	\$ 156,296	\$34,061	N/A	N/A
Legend Pictures LLC ⁽²⁾	190	—	—	—	—	190	\$ 310,630
Media Group Holdings LLC, Series H ⁽²⁾	640	—	—	—	—	640	324,734
Media Group Holdings LLC, Series I ⁽²⁾	381	—	—	—	—	381	182,740
Media Group Holdings LLC, Series T ⁽²⁾	80	12,038	—	—	—	80	201,095
Wynn Resorts Ltd. ⁽¹⁾	5,551	—	203,347	931,639	5,711	N/A	N/A
				<u>\$1,087,935</u>	<u>\$39,772</u>		<u>\$1,019,199</u>
	3-31-14 Principal Balance				Interest Received	3-31-15 Principal Balance	
Legendary Pictures Funding LLC and Legendary Finance, Inc., 8.000%, 3-15-18	\$351,700	\$ —	\$ —	\$ —	\$28,136	\$351,700	\$ 351,278
	3-31-14 Share Balance	Purchases at cost	Sales at Cost	Realized Gain/(Loss)	Distributions Received	3-31-15 Share Balance	3-31-15 Value
Ivy Science and Technology Fund							
ACI Worldwide, Inc. ⁽²⁾	1,858	\$46,514	\$ —	\$ —	\$ —	8,022	\$ 173,749
Axiom Corp. ⁽²⁾	4,710	33,307	—	—	—	6,256	115,680
Aspen Technology, Inc. ⁽²⁾	4,250	33,472	—	—	—	5,185	199,563
Avinger, Inc. ⁽²⁾	N/A	17,826	—	—	—	1,361	15,092
BioAmber, Inc. ⁽²⁾	1,352	14,464	—	—	—	2,558	22,276
BioAmber, Inc. Warrants ⁽²⁾	1,126	315	—	—	—	1,126	2,029
Euronet Worldwide, Inc. ⁽²⁾	3,387	22,226	—	—	—	3,845	225,881
Evogene Ltd. ⁽²⁾	1,120	8,101	—	—	—	1,695	14,950
iGATE Corp. ⁽²⁾	4,341	43,397	—	—	—	5,590	238,482
Marrone Bio Innovations, Inc. ⁽²⁾	967	15,549	—	—	—	2,608	10,092
Nanometrics, Inc. ⁽²⁾	1,438	—	—	—	—	1,438	24,195
Photronics, Inc. ⁽²⁾	3,231	4,209	—	—	—	3,717	31,592
Rambus, Inc. ⁽²⁾	5,675	10,182	—	—	—	6,607	83,078
Semtech Corp. ⁽²⁾	N/A	92,128	—	—	—	3,400	90,584
Silver Spring Networks, Inc. ⁽²⁾	4,810	—	—	—	—	4,810	42,999
Volcano Corp. ⁽¹⁾⁽²⁾	3,192	—	69,595	(37,168)	—	N/A	N/A
WNS (Holdings) Ltd. ADR ⁽²⁾	5,625	7,215	—	—	—	5,981	145,463
				<u>\$ (37,168)</u>	<u>\$ —</u>		<u>\$1,435,705</u>

(1) No longer affiliated as of March 31, 2015.

(2) No dividends were paid during the preceding 12 months.

10. INVESTMENT SECURITIES TRANSACTIONS (\$ amounts in thousands)

The cost of purchases and the proceeds from maturities and sales of investment securities (excluding short-term securities) for the year ended March 31, 2015, were as follows:

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Ivy Asset Strategy Fund	\$—	\$17,531,811	\$ —	\$23,907,499
Ivy Balanced Fund	—	1,108,056	3,185	656,344
Ivy Energy Fund	—	336,820	—	67,199
Ivy Global Natural Resources Fund	—	316,604	—	633,309
Ivy Global Real Estate Fund	—	23,570	—	18,995
Ivy Global Risk-Managed Real Estate Fund	—	46,897	—	25,629
Ivy Real Estate Securities Fund	—	389,599	—	312,932
Ivy Science and Technology Fund	—	2,086,565	—	1,759,501

11. CAPITAL SHARE TRANSACTIONS (All amounts in thousands)

The Trust has authorized an unlimited number of \$0.001 par value shares of beneficial interest of each class of each Fund. Transactions in shares of beneficial interest were as follows:

	Ivy Asset Strategy Fund				Ivy Balanced Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	47,606	\$ 1,407,953	77,215	\$ 2,309,512	19,638	\$ 493,481	21,491	\$ 496,715
Class B	824	21,113	2,100	58,879	396	9,882	1,091	24,765
Class C	39,829	1,105,493	50,077	1,458,935	10,719	267,782	11,836	272,313
Class E	371	10,986	409	12,210	7	178	—	—
Class I	139,561	4,195,420	149,067	4,492,790	6,731	168,878	6,506	150,951
Class R	1,895	55,783	1,885	55,805	284	7,126	179	4,271
Class R6	459	14,156	N/A	N/A	172	4,378	N/A	N/A
Class Y	10,581	311,795	14,825	444,314	2,415	60,315	3,247	75,937
Shares issued in reinvestment of distributions to shareholders:								
Class A	40,400	1,039,911	1,278	39,548	1,423	35,153	770	18,009
Class B	3,440	84,800	2	59	67	1,632	47	1,094
Class C	43,546	1,079,941	62	1,862	607	14,917	304	7,092
Class E	457	11,791	10	321	—*	7	—*	5
Class I	47,260	1,228,281	1,508	47,035	363	8,965	149	3,486
Class R	887	22,679	10	302	10	244	1	31
Class R6	65	1,697	N/A	N/A	2	57	N/A	N/A
Class Y	6,795	175,308	192	5,949	189	4,676	126	2,955
Shares redeemed:								
Class A	(148,932)	(4,436,234)	(63,367)	(1,857,767)	(9,355)	(234,360)	(5,306)	(123,386)
Class B	(6,800)	(189,484)	(3,752)	(107,194)	(424)	(10,505)	(308)	(7,104)
Class C	(91,523)	(2,544,661)	(44,308)	(1,263,248)	(4,079)	(101,735)	(1,995)	(46,197)
Class E	(383)	(11,069)	(228)	(6,765)	(7)	(178)	—	—
Class I	(262,487)	(7,677,182)	(81,707)	(2,433,058)	(3,496)	(87,696)	(1,059)	(24,795)
Class R	(1,681)	(48,332)	(1,341)	(38,906)	(112)	(2,793)	(33)	(751)
Class R6	(57)	(1,529)	N/A	N/A	(24)	(601)	N/A	N/A
Class Y	(21,544)	(631,351)	(10,226)	(301,983)	(1,651)	(41,166)	(1,251)	(28,978)
Net increase (decrease)	(149,431)	\$(4,772,735)	93,711	\$ 2,918,600	23,875	\$ 598,637	35,795	\$ 826,413

* Not shown due to rounding.

	Ivy Energy Fund				Ivy Global Natural Resources Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	12,934	\$196,136	3,770	\$ 55,011	6,383	\$ 114,855	7,105	\$ 124,963
Class B	156	2,187	66	922	27	450	80	1,228
Class C	5,209	71,618	852	11,867	899	13,582	828	12,463
Class E	10	188	—	—	64	1,142	51	920
Class I	8,318	133,864	735	11,287	5,752	112,548	3,074	55,588
Class R	930	14,355	292	4,452	773	13,792	447	7,789
Class R6	151	2,215	N/A	N/A	342	6,865	N/A	N/A
Class Y	3,557	57,372	1,057	16,026	736	13,592	927	16,459
Shares issued in reinvestment of distributions to shareholders:								
Class A	—	—	—	—	—	—	—	—
Class B	—	—	—	—	—	—	—	—
Class C	—	—	—	—	—	—	—	—
Class E	—	—	—	—	—	—	—	—
Class I	—	—	—	—	—	—	—	—
Class R	—	—	—	—	—	—	—	—
Class R6	—	—	N/A	N/A	—	—	N/A	N/A
Class Y	—	—	—	—	—	—	—	—
Shares redeemed:								
Class A	(5,341)	(81,867)	(2,047)	(30,275)	(19,225)	(356,829)	(31,349)	(550,725)
Class B	(107)	(1,578)	(69)	(967)	(939)	(14,884)	(2,026)	(31,165)
Class C	(953)	(13,396)	(398)	(5,501)	(5,115)	(77,767)	(9,749)	(146,779)
Class E	(10)	(188)	—	—	(57)	(1,042)	(67)	(1,205)
Class I	(3,438)	(52,179)	(364)	(5,557)	(6,752)	(121,488)	(18,133)	(321,832)
Class R	(149)	(2,355)	(31)	(451)	(980)	(17,086)	(1,010)	(17,588)
Class R6	(12)	(167)	N/A	N/A	(51)	(887)	N/A	N/A
Class Y	(2,042)	(32,645)	(542)	(8,114)	(1,630)	(29,676)	(6,679)	(120,590)
Net increase (decrease)	19,213	\$293,560	3,321	\$ 48,700	(19,773)	\$(342,833)	(56,501)	\$(970,474)

	Ivy Global Real Estate Fund				Ivy Global Risk-Managed Real Estate Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	1,603	\$ 17,148	2,636	\$ 26,145	4,038	\$ 43,610	3,181	\$ 31,958
Class B	4	40	45	460	21	222	201	2,066
Class C	51	547	103	1,065	308	3,463	417	4,286
Class I	402	4,259	393	4,047	1,786	19,699	1,716	17,642
Class R	6	60	80	828	201	2,289	400	4,111
Class Y	88	992	121	1,250	544	6,167	600	6,165
Shares issued in reinvestment of distributions to shareholders:								
Class A	59	620	31	284	57	601	16	145
Class B	—*	1	—	—	—*	1	—	—
Class C	—*	4	—*	1	1	7	—*	2
Class I	2	18	1	6	1	10	—*	1
Class R	—	—	—	—	—	—	—	—
Class Y	—*	3	—	—	—*	3	—	—
Shares redeemed:								
Class A	(1,312)	(14,034)	(438)	(4,406)	(2,376)	(26,058)	(1,156)	(11,868)
Class B	(2)	(20)	(22)	(229)	(2)	(16)	(100)	(1,067)
Class C	(17)	(175)	(49)	(513)	(213)	(2,425)	(203)	(2,137)
Class I	(377)	(4,004)	(183)	(1,941)	(1,731)	(19,107)	(853)	(9,016)
Class R	(1)	(6)	(40)	(426)	(200)	(2,282)	(200)	(2,112)
Class Y	(60)	(686)	(60)	(641)	(409)	(4,625)	(300)	(3,168)
Net increase	446	\$ 4,767	2,618	\$ 25,930	2,026	\$ 21,559	3,719	\$ 37,008

* Not shown due to rounding.

	Ivy Real Estate Securities Fund				Ivy Science and Technology Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	6,765	\$ 185,538	6,193	\$ 145,286	14,862	\$ 790,241	24,002	\$1,148,654
Class B	41	1,087	46	1,073	166	7,634	634	25,486
Class C	343	9,334	151	3,531	6,311	299,679	9,859	427,653
Class E	37	1,031	21	492	92	4,879	94	4,441
Class I	292	8,171	194	4,574	17,842	1,030,856	20,813	1,070,132
Class R	47	1,265	22	504	816	43,023	1,054	49,563
Class R6	145	3,931	N/A	N/A	224	13,124	N/A	N/A
Class Y	1,169	31,677	564	13,518	5,695	318,164	10,240	509,037
Shares issued in reinvestment of distributions to shareholders:								
Class A	628	17,374	153	3,426	755	39,993	747	37,078
Class B	6	171	—	—	32	1,479	40	1,712
Class C	18	501	2	42	368	17,353	302	13,459
Class E	4	96	1	17	8	409	8	375
Class I	14	380	5	101	481	27,588	356	19,038
Class R	2	55	1	10	40	2,109	44	2,161
Class R6	4	120	N/A	N/A	4	225	N/A	N/A
Class Y	241	6,651	81	1,825	340	18,883	406	21,086
Shares redeemed:								
Class A	(4,655)	(127,234)	(4,994)	(116,173)	(14,234)	(759,811)	(5,918)	(282,005)
Class B	(65)	(1,705)	(104)	(2,362)	(305)	(13,937)	(262)	(10,866)
Class C	(201)	(5,337)	(209)	(4,763)	(3,005)	(142,289)	(1,439)	(62,159)
Class E	(10)	(273)	(12)	(270)	(29)	(1,562)	(20)	(934)
Class I	(205)	(5,590)	(138)	(3,220)	(12,280)	(700,403)	(3,901)	(204,694)
Class R	(44)	(1,198)	(40)	(976)	(801)	(42,045)	(497)	(23,558)
Class R6	(28)	(808)	N/A	N/A	(23)	(1,359)	N/A	N/A
Class Y	(1,156)	(31,734)	(1,854)	(43,225)	(7,379)	(407,462)	(5,023)	(255,286)
Net increase	3,392	\$ 93,503	83	\$ 3,410	9,980	\$ 546,771	51,539	\$2,490,373

12. FEDERAL INCOME TAX MATTERS (\$ amounts in thousands)

For Federal income tax purposes, cost of investments owned at March 31, 2015 and the related unrealized appreciation (depreciation) were as follows:

Fund	Cost of Investments	Gross Appreciation	Gross Depreciation	Net Unrealized Appreciation
Ivy Asset Strategy Fund	\$22,959,546	\$3,223,120	\$961,208	\$2,261,912
Ivy Balanced Fund	2,198,766	360,543	20,736	339,807
Ivy Energy Fund	414,767	33,303	14,462	18,841
Ivy Global Natural Resources Fund	1,079,886	187,717	137,814	49,903
Ivy Global Real Estate Fund	30,796	3,467	406	3,061
Ivy Global Risk-Managed Real Estate Fund	58,331	5,590	745	4,845
Ivy Real Estate Securities Fund	536,845	235,350	790	234,560
Ivy Science and Technology Fund	4,407,795	2,050,331	122,801	1,927,530

For Federal income tax purposes, the Funds' distributed and undistributed earnings and profit for the year ended March 31, 2015 and the post-October and late-year ordinary activity were as follows:

Fund	Distributed Ordinary Income	Undistributed Ordinary Income	Distributed Long-Term Capital Gains	Undistributed Long-Term Capital Gains	Tax Return of Capital	Post-October Capital Losses Deferred	Late-Year Ordinary Losses Deferred
Ivy Asset Strategy Fund	\$112,911	\$ 3,598	\$4,634,585	\$959,717	\$ —	\$ —	\$ —
Ivy Balanced Fund	17,735	16,561	57,005	43,653	—	—	—
Ivy Energy Fund	—	—	—	—	—	11,995	—
Ivy Global Natural Resources Fund	—	—	—	—	—	25,407	—
Ivy Global Real Estate Fund	642	322	132	188	—	—	—
Ivy Global Risk-Managed Real Estate Fund	1,265	246	—	—	—	—	—
Ivy Real Estate Securities Fund	13,669	4,985	12,139	16,448	—	—	—
Ivy Science and Technology Fund	—	—	124,817	15,810	—	—	11,907

Internal Revenue Code regulations permit each Fund to elect to defer into its next fiscal year capital losses incurred between each November 1 and the end of its fiscal year. Each Fund is also permitted to defer into its next fiscal year late-year ordinary losses that arise from the netting of activity generated between each November 1 and the end of its fiscal year on certain specified ordinary items.

Accumulated capital losses represent net capital loss carryovers as of March 31, 2015 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. Under the Regulated Investment Company Modernization Act of 2010 (the "Modernization Act"), a Fund is permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. Any losses incurred during those future taxable years will be required to be utilized prior to any losses incurred in pre-enactment taxable years which have only an eight year carryforward period. As a result of this ordering rule, pre-enactment capital loss carryovers may expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under the previous law. The Fund's first fiscal year end subject to the Modernization Act was March 31, 2012. The following table shows the expiration dates for capital loss carryovers from pre-enactment taxable years and the amounts of capital loss carryovers, if any, by each of the applicable Funds electing to be taxed as a regulated investment company during the year ended March 31, 2015:

Fund	Pre-Enactment			Post-Enactment	
	2016	2017	2018	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Ivy Asset Strategy Fund	\$—	\$—	\$ —	\$ —	\$ —
Ivy Balanced Fund	—	—	—	—	—
Ivy Energy Fund	—	—	6,022	265	754
Ivy Global Natural Resources Fund	—	—	1,529,206	245,555	262,384
Ivy Global Real Estate Fund	—	—	—	—	—
Ivy Global Risk-Managed Real Estate Fund	—	—	—	—	—
Ivy Real Estate Securities Fund	—	—	—	—	—
Ivy Science and Technology Fund	—	—	—	—	—

Net investment income dividends and capital gains distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. These differences are due to differing treatments for items such as deferral of wash sales, post-October losses, late-year ordinary losses, foreign currency transactions, net operating losses, income from passive foreign investment companies (PFICs), partnership transactions, and expiring capital loss carryovers. At March 31, 2015, the following reclassifications were made:

Fund	Undistributed Net Investment Income	Accumulated Net Realized Gain (Loss)	Paid-In Capital
Ivy Asset Strategy Fund	\$(65,192)	\$221,145	\$(155,953)
Ivy Balanced Fund	17	(3)	(14)
Ivy Energy Fund	1,452	(459)	(993)
Ivy Global Natural Resources Fund	2,553	(701)	(1,852)
Ivy Global Real Estate Fund	214	(213)	(1)
Ivy Global Risk-Managed Real Estate Fund	384	(383)	(1)
Ivy Real Estate Securities Fund	—	—	—
Ivy Science and Technology Fund	37,201	139	(37,340)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

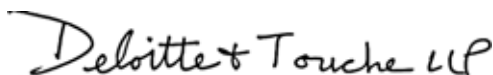
Ivy Funds

To the Shareholders and Board of Trustees of Ivy Funds:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Ivy Asset Strategy Fund, Ivy Balanced Fund, Ivy Energy Fund, Ivy Global Natural Resources Fund, Ivy Global Real Estate Fund, Ivy Global Risk-Managed Real Estate Fund, Ivy Real Estate Securities Fund, and Ivy Science and Technology Fund, eight of the thirty-three funds constituting Ivy Funds (the “Funds”), as of March 31, 2015, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Funds’ management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds’ internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of March 31, 2015, by correspondence with the custodian, agent banks, and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the Funds as of March 31, 2015, the results of their operations, the changes in their net assets, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.



Deloitte & Touche LLP
Kansas City, Missouri
May 22, 2015

INCOME TAX INFORMATION

Ivy Funds

AMOUNTS NOT ROUNDED (UNAUDITED)

The Funds hereby designate the following amounts of dividends paid from net ordinary income as dividends qualifying for the 70% dividends received deduction for corporations or as qualified dividend income for individuals for the tax period ended March 31, 2015:

	Dividends Received Deduction for Corporations	Qualified Dividend Income for Individuals
Ivy Asset Strategy Fund	\$112,911,328	\$112,911,328
Ivy Balanced Fund	16,233,442	16,233,442
Ivy Energy Fund	—	—
Ivy Global Natural Resources Fund	—	—
Ivy Global Real Estate Fund	—	—
Ivy Global Risk-Managed Real Estate Fund	—	—
Ivy Real Estate Securities Fund	—	—
Ivy Science and Technology Fund	—	—

The Funds hereby designate the following amounts as distributions of long-term capital gains:

Ivy Asset Strategy Fund	\$4,634,584,571
Ivy Balanced Fund	57,005,133
Ivy Energy Fund	—
Ivy Global Natural Resources Fund	—
Ivy Global Real Estate Fund	131,555 ⁽¹⁾
Ivy Global Risk-Managed Real Estate Fund	—
Ivy Real Estate Securities Fund	12,139,192 ⁽²⁾
Ivy Science and Technology Fund	124,817,396

(1) Of this amount \$17,251 is Unrecaptured Section 1250 Gain.

(2) Of this amount \$918,984 is Unrecaptured Section 1250 Gain.

Shareholders are advised to consult with their tax advisors concerning the tax treatment of dividends and distributions from all the Funds.

BOARD OF TRUSTEES AND OFFICERS

Ivy Funds

The Trust is governed by the Board of Trustees (the “Board”). A majority of the Board members are not “interested persons” as defined in Section 2(a)(19) of the 1940 Act and therefore qualify as Disinterested Trustees. The Board elects the officers who are responsible for administering the Funds’ day-to-day operations. The Waddell & Reed Fund Complex (“Fund Complex”) is comprised of the Ivy Family of Funds, the Ivy High Income Opportunities Fund (a closed-end fund) (“IVH”) and the Advisors Fund Complex, which is comprised of each of the funds in the Waddell & Reed Advisors Funds (20 funds), Ivy Funds Variable Insurance Portfolios (29 funds) and InvestEd Portfolios (3 funds). Jarold W. Boettcher, Joseph Harroz, Jr., Henry J. Herrmann and Eleanor B. Schwartz also serve as trustees of each of the funds in the Advisors Fund Complex. Each member of the Board is also a member of the Board of Trustees of IVH.

Joseph Harroz, Jr. serves as Independent Chair of the Trust’s Board and of the Board of Trustees of IVH.

A Trustee serves until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. The Board appoints officers and delegates to them the management of the day-to-day operations of each of the Funds, based on policies reviewed and approved by the Board, with general oversight by the Board.

The Statement of Additional Information (“SAI”) for the Trust includes additional information about the Trust’s Trustees. The SAI is available without charge, upon request by calling 1.800.777.6472. It is also available on the Ivy Funds website, www.ivyfund.com.

Disinterested Trustees

The following table provides information regarding each Disinterested Trustee.

Name, Address and Year of Birth	Position Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen	Other Directorships Held During Past 5 Years
Jarold W. Boettcher, CFA 6300 Lamar Avenue Overland Park, KS 66202 1940	Trustee	2008	President, Boettcher Enterprises, Inc. (agriculture products and services) (1979 to present), Boettcher Supply, Inc. (electrical and plumbing supplies distributor) (1979 to present), Boettcher Aerial, Inc. (Aerial Ag Applicator) (1979 to present).	87	Director, Guaranty State Bank & Trust Co. (financial services) (1981 to present); Director, Guaranty, Inc. (financial services) (1985 to present); Member, Kansas Board of Regents (2007 to 2011); Audit Committee Chairperson, Kansas Bioscience Authority (2009 to present); Member, Kansas Foundation for Medical Care (until 2011); Trustee, Advisors Fund Complex (52 portfolios overseen); Trustee, IVH.
James D. Gressett 6300 Lamar Avenue Overland Park, KS 66202 1950	Trustee	2008	Chief Executive Officer (CEO), CalPac Pizza LLC (2011 to present); CEO, CalPac Pizza II LLC (2012 to present); CEO, PacPizza LLC (Pizza Hut franchise) (2000 to present); Member/CEO, Southern Pac Pizza, LLC (2013); Partner, Century Bridge Partners (real estate investments) (2007 to present); Manager, Hartley Ranch Angus Beef, LLC (2013 to present); President, Penn Capital Corp. (1995 to present); Partner, Penn Capital Partners (1999 to present); Member/Secretary, The Metochoi Group LLC (1999 to present); Member/Chairman, Idea Homes LLC (Homebuilding & Development) (2013 to present).	35	Trustee, IVH.
Joseph Harroz, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1967	Trustee Independent Chairman	2008 2008	Dean of the College of Law, Vice President, University of Oklahoma (2010 to present); President of Graymark HealthCare (a NASDAQ listed company) (2008 to 2010); Adjunct Professor, University of Oklahoma Law School (1997 to 2010); Managing Member, Harroz Investments, LLC, (commercial enterprise investments) (1998 to present).	87	Director and Investor, Valliance Bank (2004 to present); Director, Foundation Healthcare, (formerly Graymark HealthCare) (2008 to present); Trustee, The Mewbourne Family Support Organization (2003 to present) (non-profit); Director/Trustee, Oklahoma Foundation for Excellence (non-profit) (2008 to present); Trustee of Advisors Fund Complex (52 portfolios overseen); Trustee, IVH.

Name, Address and Year of Birth	Position Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen	Other Directorships Held During Past 5 Years
Glendon E. Johnson, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1951	Trustee	2008	Of Counsel, Lee & Smith, PC (law firm) (1996 to present); Owner and Manager, Castle Valley Ranches, LLC (ranching) and Castle Valley Outdoors, LLC (hunting, fishing, outdoor recreation, lodging and corporate retreats) (1995 to present); Formerly, Partner, Kelly, Drye & Warren LLP (law firm, emphasis on finance, securities, mergers and acquisitions law) (1989-1996); Partner, Lane & Edson PC (law firm) (1987-1989).	35	Director, Thomas Foundation for Cancer Research (2005 to present); Trustee, IVH.
Eleanor B. Schwartz 6300 Lamar Avenue Overland Park, KS 66202 1937	Trustee	2008	Professor Emeritus, University of Missouri at Kansas City (2003 to present); Chancellor Emeritus, University of Missouri at Kansas City (1999 to present).	87	Trustee of Advisors Fund Complex (52 portfolios overseen); Trustee, IVH.
Michael G. Smith 6300 Lamar Avenue Overland Park, KS 66202 1944	Trustee	2008	Retired; formerly, with Merrill Lynch as Managing Director of Global Investor Client Strategy (1996-1998), Head of Regional Institutional Sales (1995-1996) and of U.S. Central Region (1986-1995, 1999).	35	Director, Executive Board, Cox Business School, Southern Methodist University (1998 to present); Director, Northwestern Mutual Funds (2003 to present); Director, d-bx Target Date Funds (2007 to April, 2015); Chairman, CTMG, Inc. (clinical testing) (2008 to present); Trustee, IVH.
Edward M. Tighe 6300 Lamar Avenue Overland Park, KS 66202 1942	Trustee	2008	Retired; formerly, CEO and Director of Asgard Holdings LLC (computer network and security services) (2002 to 2004); President, Citco Technology Management (1995-2000); CEO, Global Mutual Fund Services (1993-2000); Sr. Vice President, Templeton Global Investors (1988-1992).	35	Director, The Research Coast Principium Foundation, Inc. (non-profit) (2012 to present); Trustee, IVH.

Interested Trustees

Mr. Herrmann is “interested” by virtue of his current or former engagement as an officer of Waddell & Reed Financial, Inc. (“WDR”) or its wholly owned subsidiaries, including each Fund’s investment manager, IICO, each Fund’s principal underwriter, IFDI, and each Fund’s shareholder servicing and accounting services agent, Waddell & Reed Services Company, doing business as WI Services Company (“WISC”), as well as by virtue of his personal ownership in shares of WDR.

Name, Address and Year of Birth	Position(s) Held with the Trust	Trustee/Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen	Other Directorships Held
Henry J. Herrmann 6300 Lamar Avenue Overland Park, KS 66202 1942	President Trustee	2008 2008	Chairman, WDR (January 2010 to present); CEO, WDR (2005 to present); President, CEO and Chairman, IICO (2002 to present); President, CEO and Chairman, Waddell & Reed Investment Management Company (WRIMCO) (1993 to present); President and Trustee of each of the funds in the Fund Complex.	87	Director, WDR, IICO, WRIMCO, WISC, W&R Capital Management Group, Inc. and Waddell & Reed, Inc.; Director, Blue Cross Blue Shield of Kansas City.

Officers

The Board has appointed officers who are responsible for the day-to-day business decisions based on policies it has established. The officers serve at the pleasure of the Board. In addition to Mr. Herrmann, who is President, the Trust's principal officers are:

Name, Address and Year of Birth	Position(s) Held with the Trust and Fund Complex	Officer of Trust Since	Officer of Fund Complex Since*	Principal Occupation(s) During Past 5 Years
Mara D. Herrington 6300 Lamar Avenue Overland Park, KS 66202 1964	Vice President	2008	2006	Vice President and Secretary of each of the funds in the Fund Complex (2006 to present); Vice President of WRIMCO and IICO (2006 to present).
	Secretary	2008	2006	
Joseph W. Kauten 6300 Lamar Avenue Overland Park, KS 66202 1969	Vice President	2008	2006	Principal Financial Officer of each of the funds in the Fund Complex (2007 to present); Vice President, Treasurer and Principal Accounting Officer of each of the funds in the Fund Complex (2006 to present); Assistant Treasurer of each of the funds in the Fund Complex (2003 to 2006).
	Treasurer	2008	2006	
	Principal Accounting Officer	2008	2006	
	Principal Financial Officer	2008	2007	
Scott J. Schneider 6300 Lamar Avenue Overland Park, KS 66202 1968	Vice President	2008	2006	Chief Compliance Officer (2004 to present) and Vice President (2006 to present) of each of the funds in the Fund Complex.
	Chief Compliance Officer	2008	2004	
Wendy J. Hills 6300 Lamar Avenue Overland Park, KS 66202 1970	Vice President	2014	2014	Senior Vice President and General Counsel of WDR, Waddell & Reed, WRIMCO and WISC (2014 to present); Senior Vice President and General Counsel of IICO (2014 to present); Vice President, General Counsel and Assistant Secretary for each of the funds in the Fund Complex (2014 to present).
	General Counsel	2014	2014	
	Assistant Secretary	2014	2014	
Philip A. Shipp 6300 Lamar Avenue Overland Park, KS 66202 1969	Assistant Secretary	2012	2012	Assistant Secretary of each of the funds in the Fund Complex (2012 to present).

*This is the date when the officer first became an officer of one or more of the funds that are the predecessors to current funds within Ivy Funds (each, a predecessor fund) (if applicable).

ANNUAL PRIVACY NOTICE

Ivy Funds

The following privacy notice is issued by Ivy Funds (the “Funds”), Ivy Investment Management Company (“IICO”) and Ivy Funds Distributor, Inc. (“IFDI”).

Information Collected

We collect nonpublic personal information about you from your account application and other forms that you may deliver to us, and from your transactions with us and our affiliates. This is information that regulators consider necessary for the proper servicing of your account. In order to effect your transactions and service your account properly, we may disclose all of the information that we collect, as described above, to firms that assist us in servicing your account, such as our transfer agent.

Confidentiality of Information Collected

All records containing your nonpublic personal information are kept at our various service providers. These entities include IICO, IFDI and our transfer agent and administrative services provider. We require these affiliates, and any non-affiliated service providers, to protect the confidentiality of your information and to use the information only for the purposes for which disclosure to them is made. The Funds, IICO, IFDI and other service providers restrict access to nonpublic personal information about you to those employees who need to know that information to provide products and services to you and maintain physical, electronic, and procedural safeguards that comply with federal standards to maintain the security of your nonpublic personal information.

Disclosure of Information in Limited Circumstances

We do not disclose nonpublic personal information about present or former customers to nonaffiliated third parties, except as permitted or required by law. In connection with servicing your account, your nonpublic personal information may be shared among the entities named in this notice, their affiliates, and non-affiliates, including a transfer agent or other service companies. We will adhere to the policies and practices above for both current and former customers.

PROXY VOTING INFORMATION

Ivy Funds

Proxy Voting Guidelines

A description of the policies and procedures Ivy Funds uses to determine how to vote proxies relating to portfolio securities is available (i) without charge, upon request, by calling 1.800.777.6472 and (ii) on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

Proxy Voting Records

Information regarding how the Trust voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available on Form N-PX through the Ivy Funds' website at www.ivyfund.com and on the SEC's website at www.sec.gov.

QUARTERLY PORTFOLIO SCHEDULE INFORMATION

Ivy Funds

Portfolio holdings can be found on the Trust's website at www.ivyfund.com. Alternatively, a complete schedule of portfolio holdings of each Fund for the first and third quarters of each fiscal year is filed with the SEC and can be found on the Trust's Form N-Q. These holdings may be viewed in the following ways:

- On the SEC's website at www.sec.gov.
- For review and copy at the SEC's Public Reference Room in Washington, DC. Information on the operations of the Public Reference Room may be obtained by calling 1.800.SEC.0330.

HOUSEHOLDING NOTICE

Ivy Funds

If you currently receive one copy of the shareholder reports and prospectus for your household (even if more than one person in your household owns shares of the Trust) and you would prefer to receive separate shareholder reports and prospectuses for each account holder living at your address, you can do either of the following:

Fax your request to 800.532.2749.

Write to us at the address listed on the back cover.

Please list each account for which you would like to receive separate shareholder reports and prospectus mailings. We will resume sending separate documents within 30 days of receiving your request.

TO ALL TRADITIONAL IRA PLANHOLDERS:

Ivy Funds

As required by law, we are hereby providing notice to you that income tax may be withheld automatically from any distribution or withdrawal from a traditional IRA. A Fund is generally required to withhold taxes unless you make a written election not to have taxes withheld. The election may be made on the distribution/withdrawal form provided by Waddell & Reed, Inc. which can be obtained from your Waddell & Reed representative or by submitting Internal Revenue Service Form W-4P. Once made, an election can be revoked by providing written notice to Waddell & Reed, Inc. If you elect not to have tax withheld you may be required to make payments of estimated tax. Penalties may be imposed by the IRS if withholding and estimated tax payments are not adequate.

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The Ivy Funds Family

Domestic Equity Funds

Ivy Core Equity Fund
Ivy Dividend Opportunities Fund
Ivy Large Cap Growth Fund
Ivy Micro Cap Growth Fund
Ivy Mid Cap Growth Fund
Ivy Mid Cap Income Opportunities Fund
Ivy Small Cap Growth Fund
Ivy Small Cap Value Fund
Ivy Tax-Managed Equity Fund
Ivy Value Fund

Global/International Funds

Ivy Cundill Global Value Fund
Ivy Emerging Markets Equity Fund
Ivy Emerging Markets Local Currency Debt Fund
Ivy European Opportunities Fund
Ivy Global Equity Income Fund
Ivy Global Growth Fund¹
¹(formerly known as Ivy International Growth Fund)
Ivy Global Income Allocation Fund
Ivy International Core Equity Fund
Ivy Managed International Opportunities Fund

Speciality Funds

Ivy Asset Strategy Fund
Ivy Balanced Fund
Ivy Energy Fund
Ivy Global Natural Resources Fund
Ivy Global Real Estate Fund
Ivy Global Risk-Managed Real Estate Fund
Ivy Real Estate Securities Fund
Ivy Science and Technology Fund

Fixed Income Funds

Ivy Bond Fund
Ivy Global Bond Fund
Ivy High Income Fund
Ivy Limited-Term Bond Fund
Ivy Money Market Fund
Ivy Municipal Bond Fund
Ivy Municipal High Income Fund

1.800.777.6472

Visit us online at www.ivyfund.com

The Ivy Funds are managed by Ivy Investment Management Company and distributed by its subsidiary, Ivy Funds Distributor, Inc.

Investors should consider the investment objectives, risks, charges and expenses of a fund carefully before investing. For a prospectus containing this and other information for the Ivy Funds, call your financial advisor or visit us online at www.ivyfund.com. Please read the prospectus, or summary prospectus, carefully before investing.

Annual Report

March 31, 2015

Ivy Funds

Ivy Bond Fund

Ivy Core Equity Fund

Ivy Cundill Global Value Fund

Ivy Dividend Opportunities Fund

Ivy Emerging Markets Equity Fund

Ivy European Opportunities Fund

Ivy Global Bond Fund

Ivy Global Equity Income Fund

Ivy Global Growth Fund

Ivy Global Income Allocation Fund

Ivy High Income Fund

Ivy International Core Equity Fund

Ivy Large Cap Growth Fund

Ivy Limited-Term Bond Fund

Ivy Managed International Opportunities Fund

Ivy Micro Cap Growth Fund

Ivy Mid Cap Growth Fund

Ivy Mid Cap Income Opportunities Fund

Ivy Money Market Fund

Ivy Municipal Bond Fund

Ivy Municipal High Income Fund

Ivy Small Cap Growth Fund

Ivy Small Cap Value Fund

Ivy Tax-Managed Equity Fund

Ivy Value Fund



IVY FUNDS®
THE WORLD COVERED™

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This report is submitted for the general information of the shareholders of Ivy Funds. It is not authorized for distribution to prospective investors in the Funds unless preceded or accompanied by a current Ivy Funds prospectus, or summary prospectus, and current performance information, including current Lipper ranking information.



Henry J. Herrmann, CFA

Dear Shareholder,

The U.S. was the bright spot on the global economic landscape over the year since our last report to you. Very sluggish growth continued in Europe, while growth in China hit its slowest pace in years. Geopolitical tensions rose in the Middle East and Russia. In the U.S., however, the economy continued its gradual growth, supported by improving data on a number of fronts, including gains in hiring and consumer spending. The financial markets experienced intermittent volatility over the fiscal year, but overall realized positive returns.

One of the most significant developments over the period was the steep drop in energy prices. The decline in oil and a sharp rally in the U.S. dollar combined to fuel market volatility, starting in the summer of calendar 2014 and continuing in varying degrees through the first quarter of calendar 2015. Equities were particularly volatile in the fall, when we saw the S&P 500 Index shed nearly 150 points between mid-September and mid-October. Stocks recovered quickly, however, with the index regaining all of the lost ground by Halloween and touching record-high territory.

In fixed income markets, global economic sluggishness drove already-low yields even lower. Yields on investment-grade securities continued at exceptionally low levels. Central banks around the world took steps to address growth concerns, resulting in negative interest rates in parts of Europe.

The U.S. economy's ability to maintain growth in the face of sluggish global growth is one of the key questions for the months ahead. It is our view that U.S. economic growth will continue. We believe an improving U.S. jobs picture, little inflation and low interest rates create a favorable environment for U.S. businesses and will combine to drive corporate earnings growth and equity valuations.

This is not to imply, however, that it will be a year free from volatility on the domestic front. Questions remain about the future behavior of oil prices and the strength of the dollar. While challenges remain, we do see potential catalysts for growth in several areas and industries and our team continues to seek investment opportunities around the globe.

Economic Snapshot	3/31/15	3/31/14
S&P 500 Index	2,067.89	1,872.34
MSCI EAFE Index	1,849.34	1,915.69
10-Year Treasury Yield	1.94%	2.73%
U.S. unemployment rate	5.50%	6.70%
30-year fixed mortgage rate	3.69%	4.65%
Oil price per barrel	\$ 47.60	\$ 101.58

Sources: Bloomberg, U.S. Department of Labor, MBA, CME

All government statistics shown are subject to periodic revision. The S&P 500 Index is an unmanaged index that tracks the stocks of 500 primarily large-cap U.S. companies. MSCI EAFE Index is an unmanaged index comprised of securities that represent the securities markets in Europe, Australasia and the Far East. It is not possible to invest directly in any of these indexes. Mortgage rates are from BankRate and reflect the overnight national average rate on a conventional 30-year fixed loan. Oil prices reflect the market price of West Texas intermediate grade crude.

Respectfully,

Henry J. Herrmann, CFA
President

The opinions expressed in this letter are those of the President of the Ivy Funds and are current only through the end of the period of the report, as stated on the cover. The President's views are subject to change at any time, based on market and other conditions, and no forecasts can be guaranteed.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Expense Example

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and exchange fees; and (2) ongoing costs, including management fees, distribution and service fees, and other Fund expenses. The following table is intended to help you understand your ongoing costs (in dollars) of investing in a Fund and to compare these costs with the 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 six-month period ended March 31, 2015.

Actual Expenses

The first section in the following table provides information about actual account values and actual expenses for each share class. You may use the information in this section, 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, a \$7,500 account value divided by \$1,000 = 7.5), then multiply the result by the number in the first section under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. There may be additional fees charged to holders of certain accounts that are not included in the expenses shown in the table. Fees apply to Individual Retirement Accounts (IRAs), IRA Rollovers, Roth IRAs, Conversion Roth IRAs, Simplified Employee Pension (SEP), Savings Incentive Match Plan for Employees (SIMPLE) IRAs, Tax-Sheltered Accounts (TSAs), Keogh Plans, Owner Only 401(k) (Exclusive K) Plans and Final Pay Plans. As of the close of the six months covered by the table, a customer is charged an annual fee of \$18 within each plan type. This fee is waived for IRA Rollovers and Conversion Roth IRAs if the customer owns another type of IRA. Coverdell Education Savings Account plans are charged an annual fee of \$10 per customer. With limited exceptions, for Class A and Class C shares, if your Fund account

balance is below \$650 on the Friday prior to the last week of September of each year, the account will be assessed an account fee of \$20. You should consider the additional fees that were charged to your Fund account over the six-month period when you estimate the total ongoing expenses paid over the period and the impact of these fees on your ending account value as such additional expenses are not reflected in the information provided in the following table. Additional fees have the effect of reducing investment returns.

Hypothetical Example for Comparison Purposes

The second section in the following table provides information about hypothetical account values and hypothetical expenses for each share class based on the Fund's actual expense ratio and an assumed rate of return of five percent 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 five percent hypothetical example with the five percent 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 only and do not reflect any transactional costs, such as sales charges (loads) or exchange fees. Therefore, the second section in the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Expenses paid may be impacted by expense reduction arrangements. If those arrangements had not been in place, expenses paid would have been higher. See Note 7 to the Financial Statements for further information.

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Bond Fund							
Class A	\$1,000	\$1,031.70	\$ 5.08	\$1,000	\$1,019.89	\$ 5.05	1.01%
Class B**	\$1,000	\$1,026.50	\$10.34	\$1,000	\$1,014.74	\$10.28	2.04%
Class C	\$1,000	\$1,027.70	\$ 9.02	\$1,000	\$1,016.05	\$ 8.97	1.78%
Class E	\$1,000	\$1,031.00	\$ 5.79	\$1,000	\$1,019.25	\$ 5.75	1.14%
Class I	\$1,000	\$1,033.30	\$ 3.76	\$1,000	\$1,021.28	\$ 3.74	0.73%
Class R	\$1,000	\$1,030.20	\$ 6.60	\$1,000	\$1,018.44	\$ 6.56	1.30%
Class R6	\$1,000	\$1,034.10	\$ 2.95	\$1,000	\$1,022.02	\$ 2.93	0.58%
Class Y	\$1,000	\$1,031.80	\$ 4.98	\$1,000	\$1,020.03	\$ 4.95	0.98%

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Core Equity Fund							
Class A	\$1,000	\$1,045.00	\$ 5.93	\$1,000	\$1,019.18	\$ 5.86	1.15%
Class B**	\$1,000	\$1,040.70	\$10.51	\$1,000	\$1,014.66	\$10.38	2.06%
Class C	\$1,000	\$1,041.70	\$ 9.70	\$1,000	\$1,015.45	\$ 9.57	1.90%
Class E	\$1,000	\$1,044.50	\$ 6.85	\$1,000	\$1,018.20	\$ 6.76	1.35%
Class I	\$1,000	\$1,046.60	\$ 4.30	\$1,000	\$1,020.75	\$ 4.24	0.84%
Class R	\$1,000	\$1,043.30	\$ 7.66	\$1,000	\$1,017.47	\$ 7.57	1.50%
Class R6	\$1,000	\$1,047.20	\$ 3.79	\$1,000	\$1,021.19	\$ 3.74	0.75%
Class Y	\$1,000	\$1,046.50	\$ 4.30	\$1,000	\$1,020.75	\$ 4.24	0.84%
Ivy Cundill Global Value Fund							
Class A	\$1,000	\$ 930.70	\$ 7.53	\$1,000	\$1,017.10	\$ 7.87	1.57%
Class B**	\$1,000	\$ 925.10	\$13.28	\$1,000	\$1,011.17	\$13.88	2.76%
Class C	\$1,000	\$ 927.30	\$10.50	\$1,000	\$1,014.00	\$10.98	2.19%
Class E	\$1,000	\$ 930.50	\$ 7.63	\$1,000	\$1,017.02	\$ 7.97	1.59%
Class I	\$1,000	\$ 932.80	\$ 5.41	\$1,000	\$1,019.33	\$ 5.65	1.12%
Class R	\$1,000	\$ 929.50	\$ 8.30	\$1,000	\$1,016.32	\$ 8.67	1.73%
Class R6	\$1,000	\$ 933.40	\$ 4.64	\$1,000	\$1,020.13	\$ 4.85	0.96%
Class Y	\$1,000	\$ 931.70	\$ 6.66	\$1,000	\$1,018.01	\$ 6.96	1.39%
Ivy Dividend Opportunities Fund							
Class A	\$1,000	\$1,045.20	\$ 6.34	\$1,000	\$1,018.76	\$ 6.26	1.24%
Class B**	\$1,000	\$1,040.60	\$10.20	\$1,000	\$1,014.95	\$10.07	2.00%
Class C	\$1,000	\$1,041.20	\$ 9.70	\$1,000	\$1,015.45	\$ 9.57	1.90%
Class E	\$1,000	\$1,044.20	\$ 6.95	\$1,000	\$1,018.11	\$ 6.86	1.37%
Class I	\$1,000	\$1,046.70	\$ 4.71	\$1,000	\$1,020.30	\$ 4.65	0.93%
Class R	\$1,000	\$1,044.00	\$ 7.77	\$1,000	\$1,017.34	\$ 7.67	1.52%
Class R6	\$1,000	\$1,047.40	\$ 3.99	\$1,000	\$1,021.03	\$ 3.94	0.78%
Class Y	\$1,000	\$1,045.40	\$ 6.03	\$1,000	\$1,019.07	\$ 5.96	1.18%
Ivy Emerging Markets Equity Fund							
Class A	\$1,000	\$1,053.10	\$ 7.80	\$1,000	\$1,017.37	\$ 7.67	1.52%
Class B**	\$1,000	\$1,049.00	\$12.81	\$1,000	\$1,012.48	\$12.58	2.50%
Class C	\$1,000	\$1,048.90	\$12.19	\$1,000	\$1,013.03	\$11.98	2.39%
Class E***	\$1,000	\$1,054.10	\$ 6.88	\$1,000	\$1,018.19	\$ 6.76	1.35%
Class I	\$1,000	\$1,055.30	\$ 6.37	\$1,000	\$1,018.77	\$ 6.26	1.23%
Class R	\$1,000	\$1,051.70	\$ 9.44	\$1,000	\$1,015.76	\$ 9.27	1.84%
Class R6	\$1,000	\$1,055.90	\$ 5.55	\$1,000	\$1,019.51	\$ 5.45	1.09%
Class Y	\$1,000	\$1,053.40	\$ 7.70	\$1,000	\$1,017.46	\$ 7.57	1.50%
Ivy European Opportunities Fund							
Class A	\$1,000	\$1,035.50	\$ 8.65	\$1,000	\$1,016.40	\$ 8.57	1.71%
Class B**	\$1,000	\$1,029.70	\$14.72	\$1,000	\$1,010.39	\$14.58	2.92%
Class C	\$1,000	\$1,032.40	\$11.99	\$1,000	\$1,013.14	\$11.88	2.37%
Class E***	\$1,000	\$1,037.70	\$ 6.72	\$1,000	\$1,018.30	\$ 6.66	1.33%
Class I	\$1,000	\$1,038.10	\$ 6.22	\$1,000	\$1,018.86	\$ 6.16	1.22%
Class R	\$1,000	\$1,034.80	\$ 9.26	\$1,000	\$1,015.82	\$ 9.17	1.83%
Class R6	\$1,000	\$1,038.80	\$ 5.50	\$1,000	\$1,019.58	\$ 5.45	1.07%
Class Y	\$1,000	\$1,036.80	\$ 7.54	\$1,000	\$1,017.48	\$ 7.46	1.49%

See footnotes on page 9.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Global Bond Fund							
Class A	\$1,000	\$ 969.70	\$ 4.92	\$1,000	\$1,019.97	\$ 5.05	0.99%
Class B**	\$1,000	\$ 966.10	\$ 8.55	\$1,000	\$1,016.25	\$ 8.77	1.74%
Class C	\$1,000	\$ 966.10	\$ 8.55	\$1,000	\$1,016.25	\$ 8.77	1.74%
Class I	\$1,000	\$ 970.90	\$ 3.65	\$1,000	\$1,021.24	\$ 3.74	0.74%
Class R	\$1,000	\$ 967.40	\$ 7.18	\$1,000	\$1,017.61	\$ 7.36	1.47%
Class R6	\$1,000	\$ 971.10	\$ 3.55	\$1,000	\$1,021.33	\$ 3.64	0.72%
Class Y	\$1,000	\$ 969.70	\$ 4.83	\$1,000	\$1,019.99	\$ 4.95	0.99%
Ivy Global Equity Income Fund							
Class A	\$1,000	\$1,047.10	\$ 6.65	\$1,000	\$1,018.44	\$ 6.56	1.30%
Class B**	\$1,000	\$1,043.70	\$10.12	\$1,000	\$1,015.04	\$ 9.97	1.98%
Class C	\$1,000	\$1,043.80	\$ 9.91	\$1,000	\$1,015.20	\$ 9.77	1.95%
Class I	\$1,000	\$1,049.00	\$ 4.82	\$1,000	\$1,020.24	\$ 4.75	0.94%
Class R	\$1,000	\$1,045.70	\$ 7.98	\$1,000	\$1,017.09	\$ 7.87	1.57%
Class R6	\$1,000	\$1,049.60	\$ 4.20	\$1,000	\$1,020.78	\$ 4.14	0.83%
Class Y	\$1,000	\$1,047.70	\$ 6.04	\$1,000	\$1,019.00	\$ 5.96	1.19%
Ivy Global Growth Fund							
Class A	\$1,000	\$1,054.70	\$ 7.50	\$1,000	\$1,017.66	\$ 7.36	1.46%
Class B**	\$1,000	\$1,049.40	\$12.50	\$1,000	\$1,012.71	\$12.28	2.45%
Class C	\$1,000	\$1,050.80	\$11.38	\$1,000	\$1,013.86	\$11.18	2.22%
Class E***	\$1,000	\$1,056.20	\$ 6.17	\$1,000	\$1,018.93	\$ 6.06	1.20%
Class I	\$1,000	\$1,056.60	\$ 5.55	\$1,000	\$1,019.50	\$ 5.45	1.09%
Class R	\$1,000	\$1,053.40	\$ 8.62	\$1,000	\$1,016.51	\$ 8.47	1.69%
Class R6	\$1,000	\$1,057.40	\$ 4.83	\$1,000	\$1,020.22	\$ 4.75	0.95%
Class Y	\$1,000	\$1,055.30	\$ 6.89	\$1,000	\$1,018.20	\$ 6.76	1.35%
Ivy Global Income Allocation Fund							
Class A	\$1,000	\$1,015.40	\$ 6.45	\$1,000	\$1,018.55	\$ 6.46	1.28%
Class B**	\$1,000	\$1,010.60	\$10.86	\$1,000	\$1,014.11	\$10.88	2.17%
Class C	\$1,000	\$1,011.80	\$ 9.46	\$1,000	\$1,015.49	\$ 9.47	1.89%
Class E	\$1,000	\$1,015.20	\$ 6.65	\$1,000	\$1,018.31	\$ 6.66	1.33%
Class I	\$1,000	\$1,017.10	\$ 4.64	\$1,000	\$1,020.35	\$ 4.65	0.92%
Class R	\$1,000	\$1,014.30	\$ 7.65	\$1,000	\$1,017.36	\$ 7.67	1.52%
Class R6	\$1,000	\$1,017.90	\$ 3.93	\$1,000	\$1,021.06	\$ 3.94	0.78%
Class Y	\$1,000	\$1,016.00	\$ 5.85	\$1,000	\$1,019.11	\$ 5.86	1.17%
Ivy High Income Fund							
Class A	\$1,000	\$1,002.60	\$ 4.71	\$1,000	\$1,020.25	\$ 4.75	0.94%
Class B**	\$1,000	\$ 998.90	\$ 8.30	\$1,000	\$1,016.59	\$ 8.37	1.67%
Class C	\$1,000	\$ 999.20	\$ 8.20	\$1,000	\$1,016.76	\$ 8.27	1.64%
Class E	\$1,000	\$1,001.00	\$ 6.40	\$1,000	\$1,018.57	\$ 6.46	1.28%
Class I	\$1,000	\$1,003.90	\$ 3.51	\$1,000	\$1,021.47	\$ 3.54	0.69%
Class R	\$1,000	\$1,001.20	\$ 6.40	\$1,000	\$1,018.53	\$ 6.46	1.28%
Class R6	\$1,000	\$1,004.80	\$ 2.71	\$1,000	\$1,022.23	\$ 2.73	0.54%
Class Y	\$1,000	\$1,002.80	\$ 4.71	\$1,000	\$1,020.25	\$ 4.75	0.94%

See footnotes on page 9.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy International Core Equity Fund							
Class A	\$1,000	\$1,031.90	\$ 6.81	\$1,000	\$1,018.23	\$ 6.76	1.34%
Class B**	\$1,000	\$1,027.10	\$11.15	\$1,000	\$1,013.95	\$11.08	2.20%
Class C	\$1,000	\$1,028.20	\$10.14	\$1,000	\$1,014.89	\$10.07	2.01%
Class E	\$1,000	\$1,030.90	\$ 7.72	\$1,000	\$1,017.31	\$ 7.67	1.53%
Class I	\$1,000	\$1,033.80	\$ 5.08	\$1,000	\$1,019.89	\$ 5.05	1.01%
Class R	\$1,000	\$1,030.70	\$ 8.12	\$1,000	\$1,016.90	\$ 8.07	1.61%
Class R6	\$1,000	\$1,034.70	\$ 4.37	\$1,000	\$1,020.62	\$ 4.34	0.87%
Class Y	\$1,000	\$1,032.60	\$ 6.40	\$1,000	\$1,018.63	\$ 6.36	1.26%
Ivy Large Cap Growth Fund							
Class A	\$1,000	\$1,103.00	\$ 5.99	\$1,000	\$1,019.19	\$ 5.75	1.15%
Class B**	\$1,000	\$1,099.00	\$10.39	\$1,000	\$1,015.00	\$ 9.97	1.99%
Class C	\$1,000	\$1,099.20	\$ 9.66	\$1,000	\$1,015.69	\$ 9.27	1.85%
Class E	\$1,000	\$1,102.60	\$ 5.99	\$1,000	\$1,019.21	\$ 5.75	1.15%
Class I	\$1,000	\$1,104.50	\$ 4.63	\$1,000	\$1,020.57	\$ 4.45	0.87%
Class R	\$1,000	\$1,101.40	\$ 7.67	\$1,000	\$1,017.62	\$ 7.36	1.47%
Class R6	\$1,000	\$1,105.50	\$ 3.79	\$1,000	\$1,021.32	\$ 3.64	0.72%
Class Y	\$1,000	\$1,104.00	\$ 5.58	\$1,000	\$1,019.65	\$ 5.35	1.06%
Ivy Limited-Term Bond Fund							
Class A	\$1,000	\$1,011.90	\$ 4.43	\$1,000	\$1,020.55	\$ 4.45	0.88%
Class B**	\$1,000	\$1,007.60	\$ 8.63	\$1,000	\$1,016.37	\$ 8.67	1.72%
Class C	\$1,000	\$1,008.10	\$ 8.13	\$1,000	\$1,016.85	\$ 8.17	1.62%
Class E	\$1,000	\$1,011.30	\$ 5.03	\$1,000	\$1,019.95	\$ 5.05	1.00%
Class I	\$1,000	\$1,013.20	\$ 3.12	\$1,000	\$1,021.80	\$ 3.13	0.63%
Class R	\$1,000	\$1,010.10	\$ 6.13	\$1,000	\$1,018.79	\$ 6.16	1.23%
Class R6	\$1,000	\$1,014.00	\$ 2.42	\$1,000	\$1,022.52	\$ 2.43	0.48%
Class Y	\$1,000	\$1,011.80	\$ 4.43	\$1,000	\$1,020.56	\$ 4.45	0.88%
Ivy Managed International Opportunities Fund ⁽³⁾							
Class A	\$1,000	\$1,043.40	\$ 2.45	\$1,000	\$1,022.55	\$ 2.43	0.48%
Class B**	\$1,000	\$1,038.60	\$ 7.14	\$1,000	\$1,017.97	\$ 7.06	1.40%
Class C	\$1,000	\$1,039.00	\$ 6.63	\$1,000	\$1,018.44	\$ 6.56	1.30%
Class E***	\$1,000	\$1,044.20	\$ 1.94	\$1,000	\$1,022.99	\$ 1.92	0.39%
Class I	\$1,000	\$1,044.90	\$ 0.82	\$1,000	\$1,024.13	\$ 0.81	0.16%
Class R	\$1,000	\$1,042.50	\$ 3.27	\$1,000	\$1,021.77	\$ 3.23	0.63%
Class Y	\$1,000	\$1,043.30	\$ 1.94	\$1,000	\$1,023.04	\$ 1.92	0.38%
Ivy Micro Cap Growth Fund							
Class A	\$1,000	\$1,121.40	\$ 8.70	\$1,000	\$1,016.74	\$ 8.27	1.64%
Class B**	\$1,000	\$1,116.20	\$13.44	\$1,000	\$1,012.25	\$12.78	2.54%
Class C	\$1,000	\$1,116.90	\$12.70	\$1,000	\$1,012.89	\$12.08	2.42%
Class I	\$1,000	\$1,123.30	\$ 6.58	\$1,000	\$1,018.70	\$ 6.26	1.25%
Class R	\$1,000	\$1,120.30	\$ 9.65	\$1,000	\$1,015.84	\$ 9.17	1.82%
Class R6	\$1,000	\$1,124.40	\$ 5.63	\$1,000	\$1,019.60	\$ 5.35	1.07%
Class Y	\$1,000	\$1,122.10	\$ 7.85	\$1,000	\$1,017.53	\$ 7.46	1.48%

See footnotes on page 9.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Mid Cap Growth Fund							
Class A	\$1,000	\$1,104.00	\$ 6.84	\$1,000	\$1,018.40	\$ 6.56	1.31%
Class B**	\$1,000	\$1,100.00	\$10.61	\$1,000	\$1,014.83	\$10.17	2.03%
Class C	\$1,000	\$1,100.50	\$10.40	\$1,000	\$1,015.01	\$ 9.97	1.99%
Class E	\$1,000	\$1,102.70	\$ 8.41	\$1,000	\$1,016.96	\$ 8.07	1.60%
Class I	\$1,000	\$1,106.00	\$ 5.16	\$1,000	\$1,020.05	\$ 4.95	0.98%
Class R	\$1,000	\$1,102.50	\$ 8.30	\$1,000	\$1,017.02	\$ 7.97	1.59%
Class R6	\$1,000	\$1,106.40	\$ 4.32	\$1,000	\$1,020.82	\$ 4.14	0.83%
Class Y	\$1,000	\$1,104.60	\$ 6.42	\$1,000	\$1,018.84	\$ 6.16	1.22%
Ivy Mid Cap Income Opportunities Fund****							
Class A	\$1,000	\$1,115.60	\$ 7.09	\$1,000	\$1,018.24	\$ 6.76	1.35% ⁽⁴⁾
Class C	\$1,000	\$1,112.60	\$10.88	\$1,000	\$1,014.67	\$10.38	2.07% ⁽⁵⁾
Class E	\$1,000	\$1,116.80	\$ 6.77	\$1,000	\$1,018.49	\$ 6.46	1.30% ⁽⁶⁾
Class I	\$1,000	\$1,118.10	\$ 5.51	\$1,000	\$1,019.73	\$ 5.25	1.05% ⁽⁷⁾
Class R	\$1,000	\$1,113.80	\$ 9.41	\$1,000	\$1,016.01	\$ 8.97	1.80% ⁽⁸⁾
Class R6	\$1,000	\$1,113.80	\$ 5.50	\$1,000	\$1,019.73	\$ 5.25	1.05% ⁽⁹⁾
Class Y	\$1,000	\$1,116.60	\$ 7.09	\$1,000	\$1,018.24	\$ 6.76	1.35% ⁽¹⁰⁾
Ivy Money Market Fund							
Class A	\$1,000	\$1,000.10	\$ 0.80	\$1,000	\$1,024.09	\$ 0.81	0.17%
Class B**	\$1,000	\$1,000.00	\$ 0.80	\$1,000	\$1,024.09	\$ 0.81	0.17%
Class C**	\$1,000	\$1,000.00	\$ 0.80	\$1,000	\$1,024.09	\$ 0.81	0.17%
Class E	\$1,000	\$1,000.00	\$ 0.80	\$1,000	\$1,024.10	\$ 0.81	0.17%
Ivy Municipal Bond Fund							
Class A	\$1,000	\$1,018.80	\$ 5.05	\$1,000	\$1,019.94	\$ 5.05	1.00%
Class B**	\$1,000	\$1,014.90	\$ 8.76	\$1,000	\$1,016.19	\$ 8.77	1.75%
Class C	\$1,000	\$1,014.90	\$ 8.76	\$1,000	\$1,016.22	\$ 8.77	1.75%
Class I	\$1,000	\$1,019.90	\$ 4.04	\$1,000	\$1,020.95	\$ 4.04	0.80%
Class Y	\$1,000	\$1,018.90	\$ 5.05	\$1,000	\$1,019.95	\$ 5.05	1.00%
Ivy Municipal High Income Fund							
Class A	\$1,000	\$1,032.20	\$ 4.37	\$1,000	\$1,020.67	\$ 4.34	0.86%
Class B**	\$1,000	\$1,028.20	\$ 8.21	\$1,000	\$1,016.85	\$ 8.17	1.62%
Class C	\$1,000	\$1,028.50	\$ 8.01	\$1,000	\$1,017.05	\$ 7.97	1.58%
Class I	\$1,000	\$1,033.20	\$ 3.46	\$1,000	\$1,021.55	\$ 3.44	0.68%
Class Y	\$1,000	\$1,032.70	\$ 4.27	\$1,000	\$1,020.69	\$ 4.24	0.85%
Ivy Small Cap Growth Fund							
Class A	\$1,000	\$1,163.30	\$ 7.68	\$1,000	\$1,017.83	\$ 7.16	1.42%
Class B**	\$1,000	\$1,158.30	\$12.30	\$1,000	\$1,013.51	\$11.48	2.29%
Class C	\$1,000	\$1,160.20	\$11.13	\$1,000	\$1,014.63	\$10.38	2.07%
Class E	\$1,000	\$1,163.00	\$ 8.44	\$1,000	\$1,017.17	\$ 7.87	1.56%
Class I	\$1,000	\$1,165.60	\$ 5.74	\$1,000	\$1,019.67	\$ 5.35	1.05%
Class R	\$1,000	\$1,162.00	\$ 8.97	\$1,000	\$1,016.68	\$ 8.37	1.65%
Class R6	\$1,000	\$1,166.60	\$ 4.87	\$1,000	\$1,020.42	\$ 4.55	0.90%
Class Y	\$1,000	\$1,164.20	\$ 7.03	\$1,000	\$1,018.44	\$ 6.56	1.30%

See footnotes on page 9.

ILLUSTRATION OF FUND EXPENSES

Ivy Funds

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	Beginning Account Value 9-30-14	Ending Account Value 3-31-15	Expenses Paid During Period*	
Ivy Small Cap Value Fund							
Class A	\$1,000	\$1,087.70	\$ 8.04	\$1,000	\$1,017.26	\$ 7.77	1.54%
Class B**	\$1,000	\$1,082.40	\$12.91	\$1,000	\$1,012.55	\$12.48	2.48%
Class C	\$1,000	\$1,083.80	\$11.46	\$1,000	\$1,013.91	\$11.08	2.21%
Class E***	\$1,000	\$1,089.30	\$ 6.27	\$1,000	\$1,018.91	\$ 6.06	1.21%
Class I	\$1,000	\$1,090.30	\$ 5.75	\$1,000	\$1,019.45	\$ 5.55	1.10%
Class R	\$1,000	\$1,086.60	\$ 8.87	\$1,000	\$1,016.47	\$ 8.57	1.70%
Class R6	\$1,000	\$1,090.90	\$ 4.91	\$1,000	\$1,020.20	\$ 4.75	0.95%
Class Y	\$1,000	\$1,088.60	\$ 7.10	\$1,000	\$1,018.16	\$ 6.86	1.36%
Ivy Tax-Managed Equity Fund							
Class A	\$1,000	\$1,083.80	\$ 6.46	\$1,000	\$1,018.69	\$ 6.26	1.25%
Class B**	\$1,000	\$1,079.80	\$ 9.98	\$1,000	\$1,015.29	\$ 9.67	1.93%
Class C	\$1,000	\$1,079.90	\$10.30	\$1,000	\$1,015.07	\$ 9.97	1.98%
Class I	\$1,000	\$1,084.90	\$ 5.32	\$1,000	\$1,019.86	\$ 5.15	1.02%
Class Y	\$1,000	\$1,083.70	\$ 6.56	\$1,000	\$1,018.64	\$ 6.36	1.25%
Ivy Value Fund							
Class A	\$1,000	\$ 985.60	\$ 6.25	\$1,000	\$1,018.62	\$ 6.36	1.27%
Class B**	\$1,000	\$ 981.40	\$10.70	\$1,000	\$1,014.17	\$10.88	2.16%
Class C	\$1,000	\$ 982.20	\$ 9.71	\$1,000	\$1,015.12	\$ 9.87	1.97%
Class E***	\$1,000	\$ 986.70	\$ 5.17	\$1,000	\$1,019.73	\$ 5.25	1.04%
Class I	\$1,000	\$ 987.30	\$ 4.67	\$1,000	\$1,020.24	\$ 4.75	0.94%
Class R	\$1,000	\$ 984.20	\$ 7.64	\$1,000	\$1,017.27	\$ 7.77	1.54%
Class R6	\$1,000	\$ 988.30	\$ 3.98	\$1,000	\$1,020.97	\$ 4.04	0.80%
Class Y	\$1,000	\$ 986.00	\$ 5.96	\$1,000	\$1,018.94	\$ 6.06	1.20%

*Fund expenses for each share class are equal to the Fund's annualized expense ratio for each share class (provided in the table), multiplied by the average account value over the period, multiplied by 182 days in the six-month period ended March 31, 2015, and divided by 365.

**These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

*** Class share is closed to investment.

**** Period from October 1, 2014 (commencement of operations) to March 31, 2015.

(1) This section uses the Fund's actual total return and actual Fund expenses. It is a guide to the actual expenses paid by the Fund in the period. The "Ending Account Value" shown is computed using the Fund's actual return and the "Expenses Paid During Period" column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. A shareholder may use the information here, together with the dollar amount invested, to estimate the expenses that were paid over the period. For every thousand dollars a shareholder has invested, the expenses are listed in the last column of this section.

(2) This section uses a hypothetical five percent annual return and actual Fund expenses. It helps to compare the Fund's ongoing costs with other mutual funds. A shareholder can compare the Fund's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

(3) Annualized Expense Ratio Based on the Six-Month Period does not include expenses of Underlying Ivy Funds in which Ivy Managed International Opportunities Fund invests.

(4) Annualized expense ratio based on the period excluding offering cost was 1.16%.

(5) Annualized expense ratio based on the period excluding offering cost was 1.88%.

(6) Annualized expense ratio based on the period excluding offering cost was 1.11%.

(7) Annualized expense ratio based on the period excluding offering cost was 0.86%.

(8) Annualized expense ratio based on the period excluding offering cost was 1.61%.

(9) Annualized expense ratio based on the period excluding offering cost was 0.86%.

(10) Annualized expense ratio based on the period excluding offering cost was 1.16%.

The above illustrations are based on ongoing costs only and do not include any transactional costs, such as sales loads or exchange fees.



Thomas B. Houghton

Ivy Bond Fund is subadvised by Advantus Capital Management, Inc.

Below, Thomas B. Houghton, CFA, David W. Land, CFA and Christopher R. Sebald, CFA, portfolio managers of the Ivy Bond Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Houghton has managed the Fund since 2005 and has 22 years of industry experience. Mr. Land has managed the Fund since 2005 and has 25 years of industry experience. Mr. Sebald has managed the Fund since 2003 and has 27 years of industry experience.

Fiscal Year Performance

For the 12 months ended March 31, 2015

Ivy Bond (Class A shares at net asset value)	5.58%
Ivy Bond (Class A shares with sales charge)	-0.51%
Benchmark(s) and/or Lipper Category	
Barclays Capital U.S. Aggregate Bond Index (generally reflects the performance of securities representing the world's bond markets)	5.72%
Lipper Corporate Debt A Rated Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	6.46%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



David W. Land



Christopher R. Sebald

The Fund underperformed its index and the average performance of its peer group for the 12 months ended March 31, 2015. The underperformance related to the Fund having a significantly shorter duration than the benchmark and a majority of the funds in the peer group, which benefitted in the falling interest rate environment.

Despite not specifically positioning the Fund for falling rates, the Fund performed in the top half of its Lipper peer group, ranking 17 out of 51 Funds in the Corporate Debt A-Rated Lipper category for the fiscal year ended March 31, 2015. The Fund benefitted from a more cautious view of the economy and risk assets in the latter half of 2014. As credit spreads in the second quarter of 2014 tightened to the lowest level of the year, we reduced risk in the Fund, particularly in investment-grade financials. As spreads widened through the remainder of the year, this helped the Fund's performance relative to its peer group.

The Fund also benefitted from investments in nongovernment bonds including corporate bonds, commercial mortgage-backed securities (CMBS), asset-backed securities and active security selection and trading. In particular, security selection results in the financial, utility and CMBS was beneficial to performance.

Market

After a slow start, the economy ended 2014 on a strong note. Throughout the year, the unemployment rate fell as the economy expanded. The Federal Reserve (Fed), encouraged by a growing economy and an improving labor market, continued to reduce, and finally terminated, its bond-buying program. For nearly six years the Fed had been providing support to the economy and, to a degree, the markets. We believe investors can anticipate a bumpier ride with the Fed moving to the sideline and potentially raising short-term interest rates in 2015.

The commodities market struggled. The drop in oil prices was particularly pronounced. Lower global oil demand and increased U.S. production combined to drive oil prices lower. Soft demand was, in part, rooted in the slow growth in Europe and the emerging markets. Europe continues to dance on the edge of recession, and emerging markets, particularly China, are ratcheting down growth as they reduce investment and migrate from export-led growth. If oil prices remain low, there could be significant impacts on U.S. oil producers. On the flipside, consumers could benefit from reduced energy prices, particularly for gasoline, which is now near \$2 per gallon, a level not seen in years.

Slower growth outside the U.S. led to even more dramatic drops in global interest rates and inflation. In fact, negative rates in Europe have become more common. Europe is besieged by persistently subpar economic growth, a declining workforce and persistent problems with Greece.

Yields on the shorter-dated maturities rose on concerns the Fed would soon raise interest rates. However, yields on longer-dated bonds fell in sympathy with the rest of the world and diminished inflation expectations.

Turbulence in the investment market continued through the first quarter of 2015, sparked not by oil prices, but by monetary policy. The European Central Bank (ECB) announced a big quantitative easing program, and the Fed prepared markets for higher interest rates. The trade-weighted dollar rose 8%. Measured against expectations, the U.S. economy was weak in nearly every category except for employment. The Bloomberg Economic Surprise Index, which measures whether data beat or missed economic forecasts, hit its lowest point since 2009 when the economy was recovering from the financial crisis. There is no sign consumer spending is picking up due to low gas prices, and business surveys all softened, in part due to a rising dollar. The housing recovery is weaker than expected. Housing starts fell below one million units per year and existing home sales fell below five million.

Positioning

The Fund was positioned to start the year much like it had been to begin the previous year, with relatively high exposures to investment-grade and high-yield credit, particularly in the CMBS, insurance, real estate investment trust (REIT), energy and transportation sectors. Similar to the previous year, we became concerned about too much optimism among investors and began to reduce positions in investment-grade corporates in the Fund in the calendar second quarter of 2014 and more actively in the third quarter and fourth quarters of the calendar year. We thought this strategy was prudent as corporate spreads widened in the third quarter and continued widening well into the fourth quarter of 2014. With the proceeds of the sales, we purchased Treasuries initially and then in the fourth quarter, we purchased mortgage-backed securities (MBS), which in our opinion were cheap. During the final quarter of 2014 and into the first quarter of 2015, we began to add back to some positions in corporates as well, particularly in securities in the financial sector. Spreads in corporate bonds are now back to attractive levels, in our opinion, having widened all the way back to levels at the end of 2013.

We made no substantial changes to the interest rate positioning of the Fund over the course of the year. We maintained our view that interest rates would remain low and fairly range bound.

Treasury futures are the only form of derivative the Fund has utilized. The Fund has historically used Treasury futures strictly to hedge interest rate positions and to help manage the duration of the Fund.

We have positioned the Fund for an improving economy and a narrowing of nongovernment bond spreads. We believe this will materialize in the coming quarters, as the economic impacts of a difficult winter dissipate. We've rotated the Fund's holdings to be slightly more sensitive to the economy to attempt to take advantage of this anticipated improvement.

Outlook

We expect the economy to improve from the slow pace in a first quarter that is implied by most economic activity indicators. We look for improving economic results as lower expectations are set, lower energy prices eventually provide a consumer boost, and improvements in Europe's economic prospects flow back to the U.S.

Fed policy is likely to continue to inject more volatility into the investment markets as the Fed inches toward raising interest rates. We expect the dollar to continue to rise versus trading partners and provide a challenge to U.S. company earnings. As a result, we don't look for credit metrics to improve based on better earnings. In our view, credit spreads remain attractive though, and we expect to maintain our credit exposure at the current level in the coming quarter despite a higher-risk environment that may unfold from Fed action.

We still don't expect long-term interest rates to rise by much. Even though we expect an improving economy and a Fed that's moving toward tightening, negative demographics for growth and high debt loads across developed countries, we believe both portend low inflation and low interest rates for some time to come.

We remain optimistic about real estate fundamentals. Strong demographics influencing multi-family properties and rising rents, falling vacancy rates, and stable supply in nearly every sector of the commercial real estate market are the driving factors. We expect this tailwind to continue to impact commercial real estate and benefit commercial MBS. Supply in agency MBS remains low as housing and lending continue to undershoot expectations. MBS spreads are about average, but technicals are strong. We expect to raise our exposure to commercial MBS and agency MBS in the coming quarter.

The Fund's performance noted above is at net asset value (NAV) and does not include the effect of any applicable sales charges. If reflected, the sales charge would reduce the performance noted.

As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Fixed-income securities are subject to interest rate risk and, as such, the Fund's net asset value may fall as interest rates rise. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher rated bonds. These and other risks are more fully described in the Fund's prospectus.

Certain U.S. government securities in which the Fund may invest, such as Treasury securities and securities issued by the Government National Mortgage Association (Ginnie Mae), are backed by the full faith and credit of the U.S. government. However, other U.S. government securities in which the Fund may invest, such as securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal

Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks (FHLB) are not backed by the full faith and credit of the U.S. government, are not insured or guaranteed by the U.S. government and, instead, may be supported only by the right of the issuer to borrow from the U.S. Treasury or by the credit of the issuer.

On Sept. 7, 2008, the Federal Housing Finance Agency (FHFA), an agency of the U.S. government, placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. FHFA will act as the conservator to operate Fannie Mae and Freddie Mac until they are stabilized. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Bond Fund.

PORTFOLIO HIGHLIGHTS

Ivy Bond Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	1.2%
Financials	1.2%
Bonds	95.7%
Corporate Debt Securities	38.3%
United States Government and Government Agency Obligations	35.3%
Asset-Backed Securities	12.1%
Mortgage-Backed Securities	8.7%
Municipal Bonds—Taxable	1.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	3.1%

Lipper Rankings

Category: Lipper Corporate Debt Funds A Rated	Rank	Percentile
1 Year	17/51	33
3 Year	21/45	46
5 Year	16/41	39
10 Year	26/34	75

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

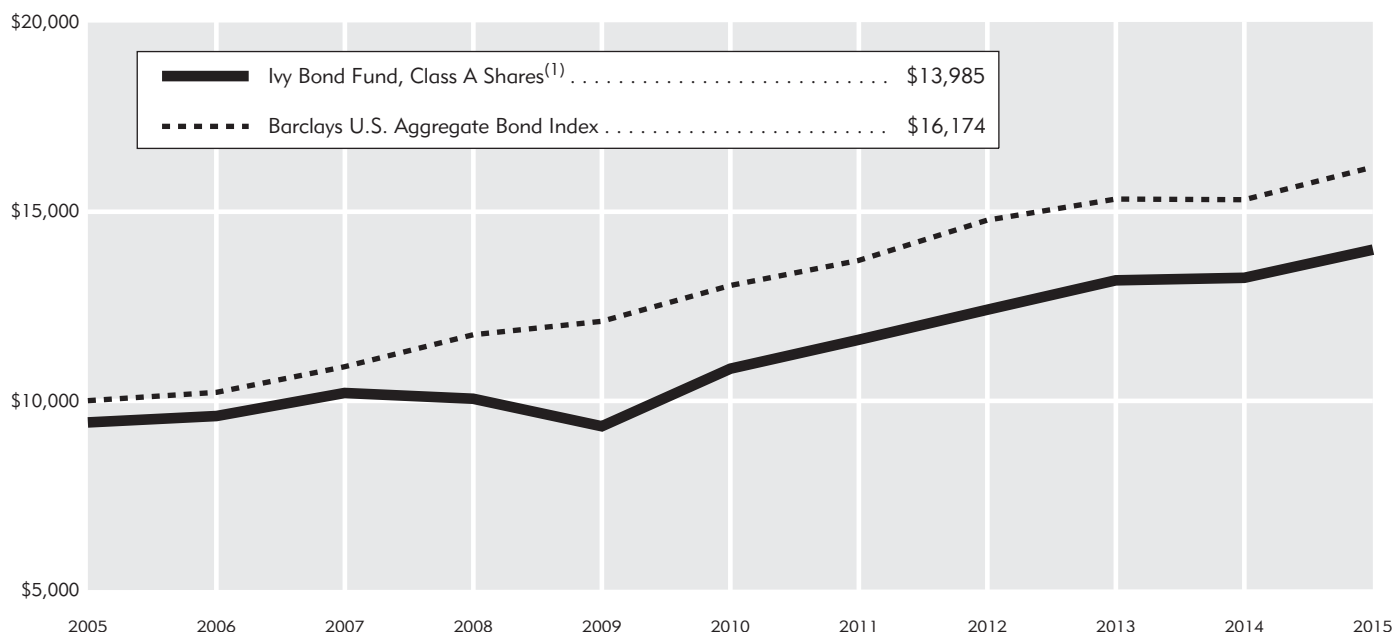
Quality Weightings

Investment Grade	81.2%
AAA	7.0%
AA	38.9%
A	9.8%
BBB	25.5%
Non-Investment Grade	14.5%
BB	13.8%
B	0.2%
CCC	0.2%
Below CCC	0.1%
Non-rated	0.2%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Equities	4.3%

Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Bond Fund



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-0.51%	0.56%	4.76%	-0.62%	5.90%	5.27%	—	5.62%
5-year period ended 3-31-15	3.99%	4.00%	4.44%	3.91%	5.56%	—	—	5.29%
10-year period ended 3-31-15	3.41%	3.08%	3.19%	—	—	—	—	4.04%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	3.15%	4.37%	2.79%	3.81%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Bond Fund (in thousands)

MARCH 31, 2015

PREFERRED STOCKS		Shares	Value	ASSET-BACKED SECURITIES (Continued)		Principal	Value	ASSET-BACKED SECURITIES (Continued)		Principal	Value
Financials											
Diversified Banks – 0.6%								U.S. Airways, Inc. Class C			
Wells Fargo & Co.,								Pass-Through			
5.850%				173	\$4,593			Certificates,			
								Series 2012-2,			
Reinsurance – 0.2%								5.450%, 6–3–18			
WMI Holdings Corp.,								U.S. Airways, Inc.,			
Class B, 3.000%,								Series 2012-2, Class A,			
Convertible (A)				2	1,597			6.750%, 6–3–21			
								United Airlines Pass-			
Specialized REITs – 0.4%								Through Certificates,			
Ventas, Inc., 5.450%				100	2,546			Series 2014-1B,			
								4.750%, 4–11–22			
Total Financials – 1.2%				8,736				United Airlines Pass-			
								Through Certificates,			
TOTAL PREFERRED STOCKS – 1.2%				\$8,736				Series 2014-2B,			
								4.625%, 9–3–22			
(Cost: \$8,424)								Virgin Australia 2013-1B			
								Trust,			
ASSET-BACKED SECURITIES				Principal				6.000%, 10–23–20 (A) ..			
								1,853			
								1,923			
								TOTAL ASSET-BACKED			
								SECURITIES – 12.1%			
								\$89,742			
								(Cost: \$87,816)			
								CORPORATE DEBT SECURITIES			
								Consumer Discretionary			
								Apparel Retail – 0.4%			
								Limited Brands, Inc.,			
								6.625%, 4–1–21			
								2,340			
								2,680			
								Auto Parts & Equipment – 0.3%			
								Dana Holding Corp.,			
								6.750%, 2–15–21			
								1,500			
								1,582			
								Tenneco, Inc.,			
								6.875%, 12–15–20			
								965			
								1,023			
								2,605			
								Automotive Retail – 0.4%			
								AutoNation, Inc.,			
								5.500%, 2–1–20			
								2,792			
								3,058			
								Household Appliances – 0.3%			
								Stanley Black & Decker,			
								Inc.,			
								5.750%, 12–15–53			
								2,115			
								2,278			
								Total Consumer			
								Discretionary – 1.4%			
								10,621			
								Consumer Staples			
								Drug Retail – 0.2%			
								Walgreens Boots Alliance,			
								Inc.,			
								3.300%, 11–18–21			
								1,650			
								1,699			
								Total Consumer Staples – 0.2%			
								1,699			
								Energy			
								Oil & Gas Drilling – 0.5%			
								Noble Holding International			
								Ltd. (GTD by Noble-			
								Cayman),			
								6.950%, 4–1–45			
								4,000			
								3,792			

SCHEDULE OF INVESTMENTS

Ivy Bond Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT

SECURITIES (Continued)

	Principal	Value
Oil & Gas Equipment & Services – 0.3%		
Enterprise Products		
Operating L.P. (GTD by Enterprise Products Partners L.P.),		
7.034%, 1-15-68	\$1,840	\$ 1,989
Oil & Gas Exploration & Production – 1.3%		
Chesapeake Energy Corp.:		
3.503%, 4-15-19 (B) . . .	3,625	3,489
4.875%, 4-15-22	1,730	1,622
Chesapeake Midstream Partners L.P. and CHKM Finance Corp.,		
6.125%, 7-15-22	2,500	2,649
Cimarex Energy Co.,		
5.875%, 5-1-22	1,825	1,944
		<u>9,704</u>
Oil & Gas Refining & Marketing – 2.8%		
NuStar Logistics L.P. (GTD by NuStar Energy L.P. and NuStar Pipeline Operating Partnership L.P.):		
7.900%, 4-15-18	5,345	5,987
4.800%, 9-1-20	2,340	2,299
Phillips 66 (GTD by Phillips 66 Co.),		
4.875%, 11-15-44	3,255	3,486
Tesoro Corp.,		
4.250%, 10-1-17	2,645	2,751
Valero Energy Corp.:		
6.625%, 6-15-37	2,005	2,475
4.900%, 3-15-45	4,000	4,142
		<u>21,140</u>
Oil & Gas Storage & Transportation – 4.5%		
Access Midstream Partners L.P.,		
4.875%, 5-15-23	3,500	3,526
Boardwalk Pipeline Partners L.P.,		
5.200%, 6-1-18	2,500	2,592
Boardwalk Pipelines L.P. (GTD by Boardwalk Pipeline Partners L.P.),		
5.750%, 9-15-19	3,975	4,326
Buckeye Partners L.P.,		
5.600%, 10-15-44	5,715	5,668
Energy Transfer Partners L.P.,		
5.150%, 3-15-45	2,500	2,524
Regency Energy Partners L.P. and Regency Energy Finance Corp.:		
6.500%, 7-15-21	3,600	3,771
5.875%, 3-1-22	3,000	3,255
Sunoco Logistics Partners Operations L.P.,		
6.850%, 2-15-40	1,265	1,536
Tennessee Gas Pipeline Co.,		
8.375%, 6-15-32	4,000	5,174

CORPORATE DEBT

SECURITIES (Continued)

	Principal	Value
Oil & Gas Storage & Transportation (Continued)		
Williams Partners L.P.,		
7.250%, 2-1-17	\$ 770	\$ 846
		<u>33,218</u>
Total Energy – 9.4%		
		69,843
Financials		
Consumer Finance – 2.2%		
Ally Financial, Inc.,		
4.125%, 3-30-20	4,000	3,975
American Express Co.,		
5.200%, 5-29-49	2,425	2,461
Discover Bank,		
8.700%, 11-18-19	458	564
General Motors Financial Co., Inc.:		
4.750%, 8-15-17	4,100	4,325
3.150%, 1-15-20	1,400	1,417
4.375%, 9-25-21	1,080	1,151
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.),		
3.500%, 7-10-19	1,645	1,689
Union 13 Leasing LLC,		
1.870%, 6-28-24	912	907
		<u>16,489</u>
Diversified Banks – 2.0%		
Bank of America Corp.:		
5.750%, 12-1-17	2,405	2,646
5.875%, 1-5-21	665	777
4.000%, 1-22-25	3,250	3,292
Bank of America N.A.,		
5.300%, 3-15-17	1,469	1,569
Barclays plc,		
3.650%, 3-16-25	1,775	1,780
HSBC Bank USA N.A.,		
6.000%, 8-9-17	4,235	4,647
		<u>14,711</u>
Diversified REITs – 0.3%		
Lexington Realty Trust (GTD by Lepercq Corporate Income Fund L.P.),		
4.400%, 6-15-24	2,075	2,159
Investment Banking & Brokerage – 3.7%		
Cantor Fitzgerald L.P.,		
6.375%, 6-26-15 (A) . . .	2,400	2,424
Credit Suisse Group Funding (Guernsey) Ltd.:		
2.750%, 3-26-20 (A) . . .	3,000	3,021
3.750%, 3-26-25 (A) . . .	1,900	1,921
Goldman Sachs Group, Inc. (The):		
6.150%, 4-1-18	2,211	2,485
5.250%, 7-27-21	1,000	1,137
5.700%, 12-29-49	4,000	4,114

CORPORATE DEBT

SECURITIES (Continued)

	Principal	Value
Investment Banking & Brokerage (Continued)		
Morgan Stanley:		
6.250%, 8-28-17	\$3,200	\$ 3,536
5.500%, 1-26-20	1,552	1,767
5.500%, 7-28-21	1,090	1,265
5.450%, 12-29-29	1,650	1,662
5.550%, 12-29-49	2,275	2,298
TD Ameritrade Holding Corp.,		
2.950%, 4-1-22	1,800	1,830
		<u>27,460</u>
Life & Health Insurance – 1.0%		
Nationwide Financial Services, Inc.,		
5.300%, 11-18-44 (A) . . .	4,570	4,976
Symetra Financial Corp.,		
6.125%, 4-1-16 (A)	2,755	2,864
		<u>7,840</u>
Office REITs – 1.0%		
Select Income REIT,		
3.600%, 2-1-20	7,400	7,587
Other Diversified Financial Services – 3.6%		
Citigroup Funding, Inc.,		
4.450%, 1-10-17	5,000	5,269
Citigroup, Inc.,		
5.800%, 11-29-49	3,350	3,358
ERAC USA Finance LLC,		
3.850%, 11-15-24 (A) . . .	1,800	1,875
JPMorgan Chase & Co.,		
5.000%, 12-29-49	4,250	4,175
JPMorgan Chase Bank N.A.:		
5.875%, 6-13-16	1,170	1,235
6.000%, 7-5-17	215	237
6.000%, 10-1-17	2,368	2,622
TIAA Asset Management Finance Co. LLC:		
2.950%, 11-1-19 (A) . . .	2,500	2,562
4.125%, 11-1-24 (A) . . .	2,125	2,243
Ulani MSN 37894 LLC,		
2.184%, 12-20-24	3,167	3,196
		<u>26,772</u>
Property & Casualty Insurance – 0.2%		
Assurant, Inc.,		
2.500%, 3-15-18	1,670	1,699
Real Estate Development – 0.8%		
ARC Properties Operating Partnership L.P.,		
4.600%, 2-6-24	2,000	1,945
ARC Properties Operating Partnership L.P. and Clark Acquisition LLC,		
2.000%, 2-6-17	4,450	4,311
		<u>6,256</u>
Regional Banks – 0.5%		
Synovus Financial Corp.,		
7.875%, 2-15-19	3,025	3,388

SCHEDULE OF INVESTMENTS

Ivy Bond Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT

SECURITIES (Continued)

Principal	Value
Retail REITs – 0.4%	
Retail Properties of America, Inc., 4.000%, 3-15-25	\$ 2,950 \$ 2,979

Specialized REITs – 2.2%

American Tower Trust I, 1.551%, 3-15-18 (A) ..	5,410	5,398
Crown Castle International Corp., 6.113%, 1-15-20 (A) ..	4,050	4,620
Hospitality Properties Trust, 4.650%, 3-15-24	4,000	4,146
Ventas Realty L.P. and Ventas Capital Corp., 2.700%, 4-1-20	1,867	1,887
		16,051

Total Financials – 17.9%

133,391

Health Care

Health Care Facilities – 0.3%

NYU Hospitals Center, 4.428%, 7-1-42	2,170	2,201
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Health Care Supplies – 1.5%

Bio-Rad Laboratories, Inc., 4.875%, 12-15-20	5,000	5,506
Keysight Technologies, Inc., 4.550%, 10-30-24 (A)	3,800	3,829
Sinai Health System, 3.034%, 1-20-36	1,855	1,918
		11,253

Pharmaceuticals – 1.1%

Actavis Funding SCS (GTD by Warner Chilcott Ltd., Actavis Capital S.a.r.l. and Actavis, Inc.): 3.450%, 3-15-22	3,700	3,790
4.850%, 6-15-44	2,000	2,125
4.750%, 3-15-45	1,900	2,016
		7,931

Total Health Care – 2.9%

21,385

Industrials

Airlines – 0.5%

British Airways plc, 5.625%, 6-20-20 (A) ..	1,357	1,439
U.S. Airways Group, Inc., Class A, 6.250%, 4-22-23	1,045	1,187
U.S. Airways Group, Inc., Class B, 8.500%, 4-22-17	578	633
United Air Lines, Inc., 10.400%, 11-1-16	364	396
		3,655

CORPORATE DEBT

SECURITIES (Continued)

Principal	Value
Railroads – 1.0%	
BNSF Funding Trust I, 6.613%, 12-15-55	\$6,280 \$ 7,081

Trading Companies & Distributors – 0.3%

AmeriGas Finance Corp. and AmeriGas Finance LLC, 6.750%, 5-20-20	1,500	1,579
AmeriGas Partners L.P. and AmeriGas Finance Corp., 6.500%, 5-20-21	477	498
		2,077

Trucking – 0.1%

Tagua Leasing LLC, 1.900%, 7-12-24	1,045	1,042
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Total Industrials – 1.9%

13,855

Materials

Construction Materials – 0.6%

Martin Marietta Materials, Inc., 1.373%, 6-30-17 (B) ...	4,500	4,475
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Specialty Chemicals – 0.6%

Ashland, Inc., 3.875%, 4-15-18	4,450	4,561
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Total Materials – 1.2%

9,036

Telecommunication Services

Integrated Telecommunication Services – 1.0%

AT&T, Inc., 5.550%, 8-15-41	1,625	1,828
Frontier Communications Corp., 6.250%, 9-15-21	750	754
6.875%, 1-15-25	2,000	1,980
SBA Tower Trust, 2.240%, 4-16-18 (A) ...	3,120	3,117
		7,679

Wireless Telecommunication Service – 0.4%

MetroPCS Communications, Inc., 6.625%, 4-1-23	1,500	1,571
T-Mobile USA, Inc., 6.500%, 1-15-24	1,000	1,045
		2,616

Total Telecommunication Services – 1.4%

10,295

Utilities

Electric Utilities – 1.3%

AES Corp. (The), 3.262%, 6-1-19 (B)	2,300	2,288
Exelon Generation Co. LLC, 2.950%, 1-15-20	4,785	4,866

CORPORATE DEBT

SECURITIES (Continued)

Principal	Value
Electric Utilities (Continued)	
Southwestern Electric Power Co., 5.550%, 1-15-17	\$2,395 \$ 2,581
	9,735

Gas Utilities – 0.2%

Suburban Propane Partners L.P. and Suburban Energy Finance Corp., 5.500%, 6-1-24	1,845	1,891
--	-------	-------

Multi-Utilities – 0.5%

Dominion Resources, Inc., 5.750%, 10-1-54	3,300	3,526
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Total Utilities – 2.0%

15,152

TOTAL CORPORATE DEBT SECURITIES – 38.3%

\$285,277

(Cost: \$278,328)

MORTGAGE-BACKED SECURITIES

Commercial Mortgage-Backed Securities – 5.5%

7 WTC Depositor LLC Trust 2012-WTC Commercial Mortgage Pass-Through Certificates, Series 2012-7WTC, 4.082%, 3-13-31 (A) ..	1,724	1,769
BAMLL Commercial Mortgage Securities Trust 2014-520M, Class A, 4.185%, 8-15-46 (A)(B)	6,130	6,821
Banco Hipotecario Nacional: 7.916%, 7-25-09 (A)(C)	31	—*
0.000%, 3-25-12 (A)(C)	10	—*
7.540%, 5-31-17 (A)(C)	—*	—
BB-UBS Trust 2012-SHOW, Commercial Mortgage Pass-Through Certificates, Series 2012 Class A, 3.430%, 11-5-36 (A) ..	2,850	2,966
BB-UBS Trust 2012-SHOW, Commercial Mortgage Pass-Through Certificates, Series 2012 Class D, 4.026%, 11-5-36 (A)(B)	1,425	1,460
Bear Stearns Commercial Mortgage Securities Trust 2004-PWR4, 5.468%, 6-11-41 (B) ..	25	25

SCHEDULE OF INVESTMENTS

Ivy Bond Fund (in thousands)

MARCH 31, 2015

MORTGAGE-BACKED SECURITIES (Continued)			MORTGAGE-BACKED SECURITIES (Continued)			MORTGAGE-BACKED SECURITIES (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Commercial Mortgage-Backed Securities (Continued)			Commercial Mortgage-Backed Securities (Continued)			Other Mortgage-Backed Securities (Continued)		
Citigroup Commercial Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2013-SMPD, 2.912%, 1-12-30 (A)(B) ..	\$1,240	\$1,256	Wells Fargo Commercial Mortgage Trust, Series 2012-LC5 A3, 2.918%, 10-15-45	\$3,173	\$ 3,275	GMACM Home Equity Loan Trust 2007-HE1, 5.952%, 8-25-37 (B)	\$ 570	\$ 522
Credit Suisse Commercial Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2014-ICE, Class B, 1.450%, 4-15-27 (A)(B) ..	500	498	WFRBS Commercial Mortgage Trust 2001-C2 A-2, 3.791%, 2-15-44 (A) ...	1,485	1,507	Green Tree Financial Corp., Manufactured Housing Contract, Pass-Through Certificates, Series 1993-3A7, 6.400%, 10-15-18	12	13
Extended Stay America Trust, Commercial Mortgage Pass-Through Certificates, Series 2013-ESH MZ, 2.295%, 12-5-31 (A)	2,000	2,000	WFRBS Commercial Mortgage Trust 2011-C5, 3.667%, 11-15-44 (B) ..	1,135	1,224	Helios Leasing I LLC, 2.018%, 5-29-24	1,128	1,131
GS Mortgage Securities Corp. Trust, Commercial Mortgage Pass-Through Certificates, Series 2012-BWTR, 3.329%, 11-5-34 (A)(B) ..	1,000	1,010	WFRBS Commercial Mortgage Trust 2012-C10, Class A-3, 2.870%, 11-15-45	3,539	3,638	JPMorgan Mortgage Trust 2004-A3, 2.506%, 7-25-34 (B)	174	175
Hometown Commercial Capital LLC, Hometown Commercial Mortgage Pass-Through Notes 2006-1, 5.506%, 11-11-38 (A) ...	717	580			41,166	Mellon Residential Funding, 6.750%, 6-25-28	1	1
Hometown Commercial Trust 2007-1, Commercial Mortgage-Backed Notes, Series 2007-1, 6.057%, 6-11-39 (A)	129	84	Other Mortgage-Backed Securities – 3.2%			Merrill Lynch Mortgage Investors, Inc., Mortgage Pass-Through Certificates, Series 1997-C2, 6.250%, 12-10-29	446	446
JPMorgan Chase Commercial Mortgage Securities Trust 2009-IWST, Commercial Mortgage Pass-Through Certificates, Series 2009-IWST: 1.935%, 12-5-27 (A)(B) ..	5,829	469	ABFS Mortgage Loan Trust 2001-2, 7.490%, 12-25-31 (B) ..	345	319	Morgan Stanley Capital I Trust 2012-C4, 3.773%, 3-15-45	945	1,003
7.151%, 12-5-27 (A)	1,425	1,728	Banc of America Mortgage Trust 2004-03, 4.875%, 4-25-19	54	53	Morgan Stanley Capital I Trust 2012-STAR, Class A-2, 3.201%, 8-5-34 (A)	1,350	1,402
7.446%, 12-5-27 (A)(B) ..	2,600	3,165	Bank of America Mortgage Securities, Inc., Mortgage Pass-Through Certificates, Series 2003-3, 5.500%, 5-25-33	468	482	Morgan Stanley Capital I Trust 2012-STAR, Class B, 3.451%, 8-5-34 (A)	930	961
Multi Security Asset Trust L.P., Commercial Mortgage-Backed Securities Pass-Through Certificates, Series 2005-RR4: 5.000%, 11-28-35 (A)	54	54	Bear Stearns Mortgage Securities, Inc., 8.000%, 11-25-29	148	117	Morgan Stanley Capital I Trust, Series 2012-C4, 1.085%, 3-15-45	181	182
5.270%, 11-28-35 (A)	2,000	2,017	C-Bass 2006-MH1 Trust: 5.490%, 10-25-36 (A)(B)	3,300	3,537	Origen Manufactured Housing Contract Trust 2004-A, 5.700%, 1-15-35	437	453
5.880%, 11-28-35 (A)(B) ..	1,280	1,261	5.701%, 10-25-36 (A)(B)	57	58	Origen Manufactured Housing Contract Trust 2004-B, 5.730%, 11-15-35 (B) ...	502	523
UBS-Barclays Commercial Mortgage Trust, Series 2012-C3 A4, 3.091%, 8-10-49	2,885	2,998	CHL Mortgage Pass-Through Trust 2004-J4, 5.250%, 5-25-34	141	138	Origen Manufactured Housing Contract Trust 2005-A, 5.860%, 6-15-36 (B)	55	58
Vornado DP LLC Trust 2010, Commercial Mortgage Pass-Through Certificates, Series 2010-VNO, 5.280%, 9-13-28 (A)	1,200	1,361	Collateralized Mortgage Obligation Trust, 5.000%, 7-1-18	5	5	Origen Manufactured Housing Contract Trust 2005-B, 5.910%, 1-15-37	700	735
			COMM 2012-9W57 Mortgage Trust, Class A, 2.365%, 2-10-29 (A) ...	2,250	2,298	Prudential Home Mortgage Securities: 6.730%, 4-28-24 (A)(B) ..	1	—*
			Connecticut Avenue Securities, Series 2013-C01, 1.124%, 5-25-24 (B) ...	1,331	1,323	7.918%, 9-28-24 (A)(B) ..	2	2
			CountryPlace Manufactured Housing Contract Trust 2005-1: 4.800%, 12-15-35 (A)(B)	290	295	RASC, Series 2003-KS10 Trust, 6.410%, 12-25-33	159	97
			5.200%, 12-15-35 (A)(B)	300	315	RFMSI, Series 2004-S5 Trust, 4.500%, 5-25-19	95	56
			Credit Suisse Mortgage Trust 2014-ICE, Class C, 1.800%, 4-15-27 (A)(B) ..	4,225	4,208			
			CWHEQ Home Equity Loan Trust, Series 2007-S2, 5.934%, 5-25-37 (B) ...	302	274			
			First Horizon Mortgage Pass-Through Trust 2007-4, 5.500%, 8-25-22	50	48			

SCHEDULE OF INVESTMENTS

Ivy Bond Fund (in thousands)

MARCH 31, 2015

MORTGAGE-BACKED

SECURITIES (Continued)

	Principal	Value
Other Mortgage-Backed Securities (Continued)		
Salomon Brothers Mortgage Securities VII, Inc., Mortgage Pass-Through Certificates, Series 1997-HUD1, 6.965%, 12-25-30 (B) ..	\$ 742	\$ 539
Structured Asset Mortgage Investments, Inc., 2.177%, 5-2-30 (B)	6	2
TimberStar Trust I, 6.208%, 10-15-36 (A) ..	1,560	1,603
		<u>23,374</u>

TOTAL MORTGAGE-BACKED SECURITIES – 8.7%

(Cost: \$64,240)

MUNICIPAL BONDS – TAXABLE

Alabama – 0.1%		
Util Debt Securitization Auth, Restructuring Bonds, Ser 2013T, 3.435%, 12-15-25	470	494
Florida – 0.1%		
Sarasota Cnty, FL, Cap Impvt Rev Bonds, Ser 2010A, 7.016%, 10-1-40	520	616
New York – 0.9%		
Port Auth of NY & NJ Consolidated Bonds, 168th Ser, 4.926%, 10-1-51	3,190	3,826
Port Auth of NY & NJ Consolidated Bonds, Ser 174, 4.458%, 10-1-62	3,000	3,291
		<u>7,117</u>
Washington – 0.2%		
Pub Util Dist No. 1, Douglas Cnty, WA, Wells Hydroelec Bonds, Ser 2010A, 5.450%, 9-1-40	1,205	1,397

TOTAL MUNICIPAL BONDS – TAXABLE – 1.3%

(Cost: \$8,270)

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

	Principal	Value
Agency Obligations – 0.5%		
Federal Farm Credit Bank, 2.990%, 2-4-28	\$3,600	\$3,541
Mortgage-Backed Obligations – 23.1%		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO:		
1.824%, 8-25-24 (B)	2,373	2,390
2.374%, 9-25-24 (B)	4,000	3,980
5.300%, 1-15-33	119	131
Federal Home Loan Mortgage Corp. Fixed Rate Participation Certificates:		
5.500%, 12-1-17	65	68
5.500%, 9-1-19	108	115
5.000%, 4-1-23	371	400
3.500%, 8-1-26	821	876
2.500%, 3-1-28	799	822
2.500%, 4-1-28	793	815
5.000%, 5-1-29	80	88
3.500%, 5-1-32	1,633	1,730
6.500%, 9-1-32	57	67
6.000%, 11-1-33	73	83
5.500%, 5-1-34	593	673
6.500%, 5-1-34	141	162
5.500%, 6-1-34	199	225
5.000%, 9-1-34	4	4
5.500%, 10-1-34	276	313
5.500%, 7-1-35	93	105
5.000%, 8-1-35	96	107
5.500%, 10-1-35	87	98
5.000%, 11-1-35	208	231
5.000%, 12-1-35	61	68
6.500%, 7-1-36	105	122
7.000%, 12-1-37	100	110
5.500%, 2-1-39	459	522
5.000%, 11-1-39	219	248
5.000%, 1-1-40	1,237	1,395
5.000%, 3-1-40	1,893	2,143
5.000%, 4-1-40	405	453
5.000%, 8-1-40	413	461
4.000%, 10-1-40	1,136	1,226
4.000%, 11-1-40	1,037	1,130
4.500%, 1-1-41	1,241	1,365
4.000%, 2-1-41	1,968	2,127
4.000%, 3-1-41	600	652
4.500%, 3-1-41	557	615
4.500%, 4-1-41	1,404	1,562
4.000%, 6-1-41	667	725
4.000%, 8-1-41	521	561
4.000%, 11-1-41	5,463	5,889
3.500%, 3-1-42	2,264	2,387
3.000%, 8-1-42	1,576	1,612
3.500%, 8-1-42	4,039	4,253
3.000%, 1-1-43	1,749	1,790
3.000%, 2-1-43	2,141	2,195
3.500%, 11-1-44	6,779	7,114
3.500%, 12-1-44	6,894	7,235
Federal National Mortgage Association Fixed Rate Pass-Through Certificates:		
6.000%, 9-1-17	9	10
6.000%, 1-1-18	33	34

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS (Continued)

Mortgage-Backed Obligations (Continued)		
5.500%, 2-1-18	\$ 38	\$ 40
5.500%, 3-1-18	8	8
5.000%, 5-1-18	138	145
5.000%, 6-1-18	32	33
5.000%, 7-1-18	15	16
5.000%, 10-1-18	93	98
5.500%, 9-1-19	37	39
3.000%, 9-1-22	1,156	1,213
5.000%, 7-1-23	191	212
6.000%, 8-1-23	219	244
5.500%, 2-1-24	76	85
4.500%, 4-1-25	338	365
3.500%, 5-1-25	125	133
3.500%, 11-1-25	535	573
3.500%, 6-1-26	899	959
2.500%, 11-1-27	1,550	1,589
3.000%, 4-1-28	3,130	3,281
2.500%, 4-1-29	705	724
6.000%, 8-1-29	63	72
7.500%, 5-1-31	29	34
7.000%, 9-1-31	10	12
7.000%, 11-1-31	116	142
6.500%, 12-1-31	12	14
6.500%, 2-1-32	122	145
7.000%, 2-1-32	93	112
7.000%, 3-1-32	142	172
6.500%, 4-1-32	23	27
6.500%, 5-1-32	52	62
6.500%, 7-1-32	15	17
6.500%, 8-1-32	23	26
6.000%, 9-1-32	26	30
6.500%, 9-1-32	62	72
6.000%, 10-1-32	478	555
6.500%, 10-1-32	52	61
6.000%, 11-1-32	364	422
3.500%, 12-1-32	2,337	2,473
6.000%, 3-1-33	605	702
5.500%, 4-1-33	361	413
6.000%, 4-1-33	34	40
5.500%, 5-1-33	44	50
6.000%, 6-1-33	161	185
6.500%, 8-1-33	19	21
6.000%, 10-1-33	42	48
6.000%, 12-1-33	108	125
5.500%, 1-1-34	110	124
5.500%, 1-1-34	107	121
6.000%, 1-1-34	70	81
5.000%, 3-1-34	395	441
5.000%, 3-1-34	47	52
5.500%, 3-1-34	43	49
5.500%, 4-1-34	44	50
5.000%, 5-1-34	29	32
6.000%, 8-1-34	104	120
5.500%, 9-1-34	298	341
6.000%, 9-1-34	118	135
6.500%, 9-1-34	202	232
5.500%, 11-1-34	464	525
6.000%, 11-1-34	194	223
6.500%, 11-1-34	13	15
5.000%, 12-1-34	637	712
5.500%, 1-1-35	317	362
5.500%, 1-1-35	72	81
5.500%, 2-1-35	753	861

SCHEDULE OF INVESTMENTS

Ivy Bond Fund (in thousands)

MARCH 31, 2015

UNITED STATES

GOVERNMENT AGENCY

OBLIGATIONS (Continued)

	Principal	Value
Mortgage-Backed Obligations (Continued)		
5.500%, 2-1-35	\$ 103	\$ 116
6.500%, 3-1-35	225	266
5.000%, 4-1-35	120	134
5.500%, 4-1-35	209	238
4.500%, 5-1-35	445	488
5.500%, 6-1-35	11	13
4.500%, 7-1-35	344	376
5.000%, 7-1-35	719	803
5.000%, 7-1-35	150	167
5.500%, 7-1-35	103	117
5.500%, 8-1-35	14	16
5.500%, 10-1-35	413	475
5.500%, 11-1-35	268	302
5.500%, 12-1-35	274	310
5.000%, 2-1-36	68	76
5.500%, 2-1-36	250	273
6.500%, 2-1-36	54	62
5.500%, 9-1-36	310	351
5.500%, 11-1-36	146	165
6.000%, 11-1-36	90	103
6.000%, 1-1-37	68	77
6.000%, 5-1-37	163	188
5.500%, 6-1-37	80	92
6.000%, 8-1-37	95	109
6.000%, 9-1-37	108	126
7.000%, 10-1-37	17	18
5.500%, 3-1-38	284	325
5.000%, 4-1-38	356	405
5.500%, 5-1-38	173	195
6.000%, 10-1-38	304	346
6.000%, 12-1-38	172	198
4.500%, 6-1-39	231	255
5.000%, 12-1-39	500	570
5.500%, 12-1-39	351	399
5.000%, 3-1-40	1,278	1,435
6.000%, 6-1-40	184	210
4.500%, 10-1-40	1,163	1,273
4.000%, 12-1-40	1,570	1,688
3.500%, 4-1-41	2,408	2,544
4.000%, 4-1-41	1,546	1,676
4.500%, 4-1-41	2,656	2,945
5.000%, 4-1-41	321	365
4.500%, 7-1-41	1,484	1,629
4.000%, 8-1-41	1,178	1,263
4.000%, 9-1-41	1,863	2,015
4.000%, 10-1-41	1,869	2,022
3.500%, 11-1-41	3,978	4,209
3.500%, 1-1-42	3,799	4,002
3.000%, 3-1-42	1,496	1,534
3.500%, 8-1-42	2,455	2,594
3.000%, 9-1-42	2,498	2,561
3.500%, 1-1-43	1,345	1,415
3.500%, 2-1-43	1,722	1,827
3.500%, 3-1-43	2,531	2,681
3.000%, 4-1-43	695	711
3.500%, 4-1-43	1,490	1,565
3.000%, 5-1-43	8,653	8,866
4.000%, 1-1-44	1,476	1,610
Government National		
Mortgage Association		
Agency REMIC/CMO:		
0.168%, 3-16-34 (B)(D) ..	35	—
0.643%, 7-16-40 (B)(D) ..	175	2
0.000%,		
3-16-42 (B)(D)(E)	688	—
0.366%, 6-17-45 (B)(D) ..	1,476	16

UNITED STATES

GOVERNMENT AGENCY

OBLIGATIONS (Continued)

	Principal	Value
Mortgage-Backed Obligations (Continued)		
Government National		
Mortgage Association		
Fixed Rate Pass-		
Through Certificates:		
6.250%, 7-15-24	\$ 63	\$ 69
4.000%, 8-20-31	817	885
5.000%, 7-15-33	215	241
5.000%, 7-15-34	172	194
5.500%, 12-15-34	213	243
5.000%, 1-15-35	256	286
5.000%, 12-15-35	398	446
4.000%, 6-20-36	1,186	1,284
5.500%, 7-15-38	204	233
5.500%, 10-15-38	262	302
5.500%, 2-15-39	126	144
5.000%, 12-15-39	185	210
5.000%, 1-15-40	1,298	1,471
4.500%, 6-15-40	613	690
5.000%, 7-15-40	420	469
4.000%, 12-20-40	690	754
4.000%, 1-15-41	1,039	1,119
4.000%, 10-15-41	626	683
3.500%, 10-20-43	2,656	2,803
4.000%, 12-20-44	1,281	1,374
3.500%, 2-20-45	4,989	5,260
3.000%, 3-15-45	4,000	4,125
3.000%, 3-20-45	2,500	2,581
3.500%, 3-20-45	3,000	3,163
3.000%, 4-1-45	365	376
U.S. Department of		
Veterans Affairs,		
Guaranteed REMIC		
Pass-Through		
Certificates, Vendee		
Mortgage Trust		
1995-1, Class 1,		
7.234%, 2-15-25 (B) ..	83	95
U.S. Department of		
Veterans Affairs,		
Guaranteed REMIC		
Pass-Through		
Certificates, Vendee		
Mortgage Trust 1995-1,		
Class 2,		
7.793%, 2-15-25	26	29
		172,182
TOTAL UNITED STATES		
GOVERNMENT AGENCY		
OBLIGATIONS – 23.6%		\$175,723
(Cost: \$172,128)		
UNITED STATES GOVERNMENT		
OBLIGATIONS		
Treasury Obligations – 11.7%		
U.S. Treasury Bonds:		
5.375%, 2-15-31 (F) ..	4,940	7,013
3.000%, 11-15-44	26,166	28,674
U.S. Treasury Notes:		
0.875%, 5-15-17	1,960	1,971
0.500%, 7-31-17	2,000	1,992
0.875%, 1-15-18	2,775	2,778

UNITED STATES

GOVERNMENT

OBLIGATIONS

	Principal	Value
Treasury Obligations (Continued)		
0.875%, 1-31-18	\$ 2,575	\$ 2,577
1.375%, 2-29-20	15,125	15,130
1.750%, 2-28-22	20,235	20,293
2.000%, 2-15-25	6,375	6,415
		86,843
TOTAL UNITED STATES		
GOVERNMENT		
OBLIGATIONS – 11.7%		\$ 86,843
(Cost: \$84,441)		
SHORT-TERM		
SECURITIES		
Commercial Paper (G) – 3.3%		
Becton Dickinson & Co.,		
0.440%, 4-7-15	1,394	1,394
Campbell Soup Co.,		
0.470%, 4-22-15	5,000	4,999
Clorox Co. (The),		
0.420%, 4-13-15	5,000	4,999
Danaher Corp.,		
0.080%, 4-10-15	4,000	4,000
Mondelez International,		
Inc.,		
0.460%, 4-8-15	5,000	4,999
Wisconsin Gas LLC,		
0.130%, 4-8-15	4,000	4,000
		24,391
Master Note – 0.2%		
Toyota Motor Credit Corp.,		
0.130%, 4-1-15 (H) ...	1,616	1,616
TOTAL SHORT-TERM		
SECURITIES – 3.5%		\$ 26,007
(Cost: \$26,007)		
TOTAL INVESTMENT		
SECURITIES – 100.4%		\$746,492
(Cost: \$729,654)		
LIABILITIES, NET OF CASH AND		
OTHER ASSETS – (0.4)%		(2,834)
NET ASSETS – 100.0%		\$743,658

SCHEDULE OF INVESTMENTS

Ivy Bond Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

*Not shown due to rounding.

(A) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$121,618 or 16.4% of net assets.

(B) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015.

(C) Non-income producing as the issuer has either missed its most recent interest payment or declared bankruptcy.

(D) Interest-only security. Amount shown as principal represents notional amount for computation of interest.

(E) Zero coupon bond.

(F) All or a portion of securities with an aggregate value of \$397 have been pledged as collateral on open futures contracts.

(G) Rate shown is the yield to maturity at March 31, 2015.

(H) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following futures contracts were outstanding at March 31, 2015 (contracts unrounded):

Description	Type	Expiration Date	Number of Contracts	Value	Unrealized Depreciation
U.S. 10-Year Treasury Note	Short	6-30-15	171	\$(22,043)	\$(146)
U.S. Treasury Long Bond	Short	6-30-15	70	(11,471)	(221)
				<u>\$(33,514)</u>	<u>\$(367)</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Preferred Stocks	\$7,139	\$ 1,597	\$ —
Asset-Backed Securities	—	88,748	994
Corporate Debt Securities	—	285,277	—
Mortgage-Backed Securities	—	64,538	2
Municipal Bonds	—	9,624	—
United States Government Agency Obligations	—	175,723	—
United States Government Obligations	—	86,843	—
Short-Term Securities	—	26,007	—
Total	<u>\$7,139</u>	<u>\$738,357</u>	<u>\$996</u>
Liabilities			
Futures Contracts	\$ 367	\$ —	\$ —

During the period ended March 31, 2015, securities totaling \$3 were transferred from Level 2 to Level 3 due to the lack of observable market data due to decreased market activity or information for these securities. Securities totaling \$8,789 were transferred from Level 3 to Level 2 due to the increased availability of observable market data due to increased market activity or information for these securities. Transfers in and out of Level 3 represent the values as of the beginning of the reporting period. There were no transfers between Levels 1 and 2 during the period.

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation

GTD = Guaranteed

REIT = Real Estate Investment Trust

REMIC = Real Estate Mortgage Investment Conduit

See Accompanying Notes to Financial Statements.



Erik R. Becker

Below, Erik R. Becker, CFA, and Gustaf C. Zinn, CFA, portfolio managers of Ivy Core Equity Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. They have co-managed the Fund since 2006. Both have 16 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Core Equity Fund (Class A shares at net asset value)	9.86%
Ivy Core Equity Fund (Class A shares including sales charges)	3.52%
Benchmark(s) and/or Lipper Category	
S&P 500 Index (generally reflects the performance of large- and medium-sized U.S. stocks)	12.73%
Lipper Large-Cap Core Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	10.55%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



Gustaf C. Zinn

Key drivers

The S&P 500 Index increased 12.7% during the 12-month period ended March 31, 2015. Equity index returns were driven by a few key surprises that affected most sectors. The decline in oil prices by close to 50% was a monumental surprise compared to the beginning of the fiscal year and the U.S. 10 year Treasury yield declined close to 80 basis points while consensus expectations were for a rise. These developments drove strong performance in the consumer and defensive areas of the market and extreme weakness in the energy sector. All sectors posted positive returns, except energy. The strongest sector performers for the fiscal year were health care, consumer discretionary and technology.

Contributors and detractors

The Fund underperformed its benchmark for the 12-month period ended March 31, 2015. From a high level, performance was driven by macro factors, mainly the decline in oil prices and interest rates throughout the fiscal year. This negatively affected the most prominent theme in the portfolio, North American manufacturing renaissance, which had material exposure to companies in the industrials and energy sectors. Related to this decline in energy prices, Fund holdings in consumer discretionary, which largely include cable and media companies, didn't benefit nearly to the extent that other large index holdings, such as retailers, did. As it relates to the decline in interest rates, this had multiple negative effects on relative performance. First, it continued the outperformance of defensive companies like utilities and consumer staples, areas we view as having unattractive earnings growth and valuation characteristics. Second, it was a negative for a few large Fund holdings where interest rate increases are needed for a rebound in earnings power.

A positive driver for the market and the Fund continues to be the theme of large acquisitions across many industries. The low interest rate environment combined with, in most cases, large operational synergies has created a somewhat unique environment where equity markets rewarded companies that did the buying. With companies facing the task of growing earnings after years of margin expansion and modest economic growth, acquisitions were being viewed as important earnings growth drivers over the coming years. The Fund continues to be "catalyst rich" in this area, as many of our holdings have either recently completed or are poised for important acquisitions. We had significant holdings where timing of acquisition closing was delayed, which dampened relative performance. We are hopeful that these acquisitions will be completed in the near future.

Outlook

While recent economic data has been weaker than expected, we believe growth should improve from this point forward. The most surprising weakness over the past few months, and most critical factor to driving improvement, is a pickup in consumption. Despite the material decline in energy prices, real consumption growth actually slowed in the first quarter of 2015, estimated to be roughly 2%. We currently believe tough weather is mostly to blame and expect consumption growth to drive improvement in gross domestic product (GDP) data throughout 2015. Leading indicators such as consumer confidence readings are at post-recession highs and recent data points such as March vehicle sales have improved from the winter months. Within the Fund's portfolio, we have continued to increase exposure to companies that we expect to benefit from a pickup in consumption. We believe the best opportunities are at the lower-end income segment of the market where the propensity to save is low.

On the energy front, we think the largest sequential declines in energy investment have largely occurred and should lessen the GDP drag in the coming quarters. Earnings within the energy patch are likely to remain under significant pressure and we expect further downward revisions, specifically for many industrial companies with energy-related exposures. While we currently believe that the low commodity price environment is driving significant contraction in investment, which will lead to slower supply growth and an eventual recovery in prices and stocks, we are not increasing exposure at this time. We believe our focus and current holdings are the highest quality companies that we expect to benefit most from

longer-term energy production growth in the U.S., and which we believe will play a key role in meeting future global energy demand over the next decade.

The other key factor during the fiscal year from an economic and corporate earnings segment was the currency markets. Since mid-2014, the nominal broad trade weighted value of the dollar is up 15%. This type of move has been seen only twice in the past 30 years in 1985 and 1997. The dramatic pace of this move has weighed on corporate earnings for multinationals as translation effects and pricing reactions have negatively affected reported revenue growth. The move has been strongest against the euro area and Japan, as central banks accelerated quantitative easing (QE) policies. While the concept that the U.S. economy was further ahead in its healing process than the rest of the world was not new, soft growth in 2012-2013 kept domestic QE going longer than expected. Stronger 2014 growth, combined with clearer Fed messaging of a desire to raise interest rates in 2015 as well as larger QE programs by the central banks in Europe and Japan were the key catalysts for the large recent move. One key lesson during the domestic bull market has been “don’t fight the Fed” and this is now being applied to markets outside the U.S. As European competitiveness improves with the weaker euro, we think economic growth there should improve at the expense of the U.S., which could potentially slow future currency moves. Recent European economic data seems to be improving off a low level.

Currently, the Fund does not have outsized bets relative to predicting future moves in oil or the dollar versus other currencies. We believe that the Fed will start raising interest rates at some point in 2015. However, we think the pace of the increase will likely be slow and longer-duration rates will remain anchored by low rates elsewhere in the world. We have increased the Fund’s focus on more company-specific stories that we believe can deliver better-than-expected multi-year earnings through new products, cost restructuring and increasingly strategic acquisitions. We expect the recent shift in outperformance of growth stocks could continue. In the next 12 months, we expect stock prices to primarily be driven by earnings growth versus additional multiple expansion. We believe this could benefit the Fund’s earnings-focused strategy.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund’s shares will change, and you could lose money on your investments. These and other risks are more fully described in the Fund’s prospectus.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers’ views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of Ivy Core Equity Fund’s performance.

PORTFOLIO HIGHLIGHTS

Ivy Core Equity Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	99.0%
Health Care	21.8%
Consumer Discretionary	21.5%
Information Technology	20.4%
Financials	7.4%
Consumer Staples	7.3%
Industrials	7.1%
Energy	6.2%
Materials	3.7%
Telecommunication Services	3.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	1.0%

Lipper Rankings

Category: Lipper Large-Cap Core Funds	Rank	Percentile
1 Year	522/850	62
3 Year	394/769	52
5 Year	124/691	18
10 Year	38/486	8

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Citigroup, Inc.	Financials	Other Diversified Financial Services
Applied Materials, Inc.	Information Technology	Semiconductor Equipment
Teva Pharmaceutical Industries Ltd. ADR	Health Care	Pharmaceuticals
Actavis plc	Health Care	Pharmaceuticals
Medtronic, Inc.	Health Care	Health Care Equipment
Shire Pharmaceuticals Group plc ADR	Health Care	Pharmaceuticals
MasterCard, Inc., Class A	Information Technology	Data Processing & Outsourced Services
Dollar General Corp.	Consumer Discretionary	General Merchandise Stores
Bristol-Myers Squibb Co.	Health Care	Pharmaceuticals
Humana, Inc.	Health Care	Managed Health Care

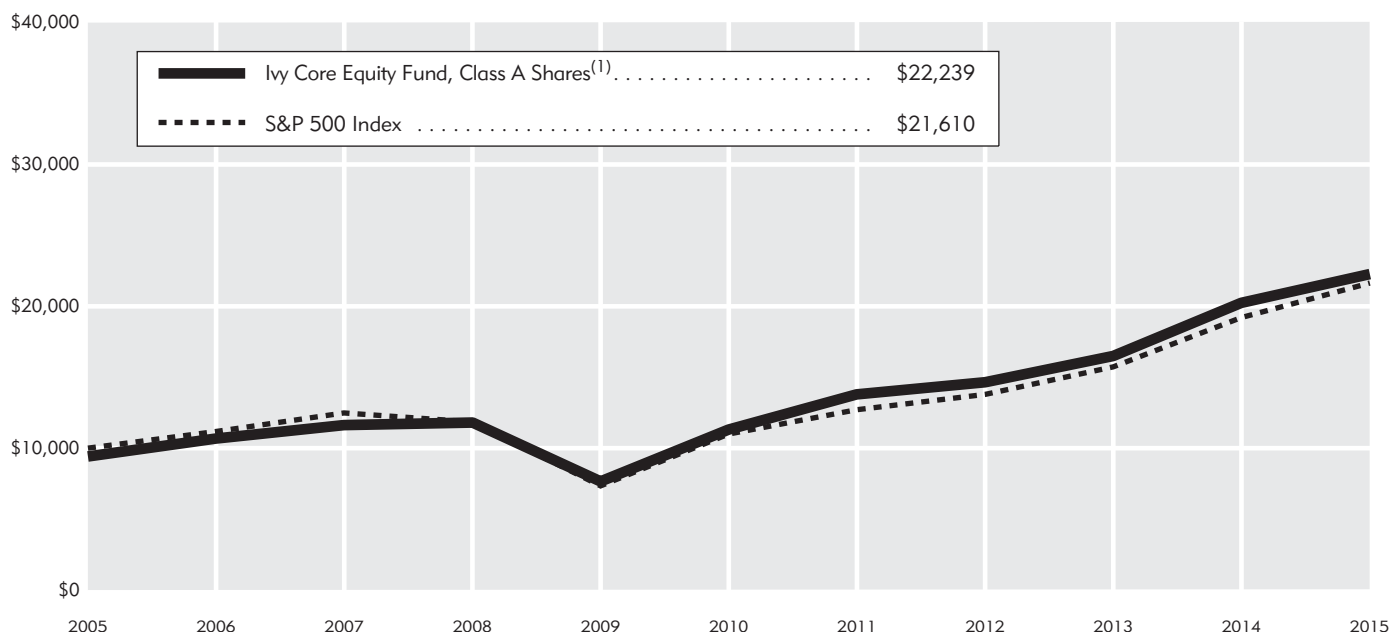
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Core Equity Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	3.52%	4.80%	9.04%	3.32%	10.14%	9.40%	—	10.18%
5-year period ended 3-31-15	13.16%	13.23%	13.63%	13.04%	14.89%	—	—	14.71%
10-year period ended 3-31-15	8.32%	8.10%	8.13%	—	—	—	—	9.16%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	7.57%	9.01%	17.95%	7.39%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Core Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel, Accessories & Luxury Goods – 0.7%		
Polo Ralph Lauren Corp.	63	\$ 8,311
Auto Parts & Equipment – 2.0%		
Delphi Automotive plc	285	22,742
Automobile Manufacturers – 1.5%		
Ford Motor Co.	1,041	16,808
Broadcasting – 2.0%		
CBS Corp., Class B	364	22,059
Cable & Satellite – 5.4%		
Charter Communications, Inc., Class A (A)	95	18,285
Comcast Corp., Class A	395	22,289
Time Warner Cable, Inc.	141	21,103
		61,677
General Merchandise Stores – 2.6%		
Dollar General Corp.	395	29,783
Home Improvement Retail – 2.2%		
Home Depot, Inc. (The)	219	24,847
Hotels, Resorts & Cruise Lines – 1.6%		
Hilton Worldwide Holdings, Inc. (A)	607	17,970
Internet Retail – 1.2%		
Amazon.com, Inc. (A)	38	14,065
Motorcycle Manufacturers – 1.0%		
Harley-Davidson, Inc.	188	11,431
Restaurants – 1.3%		
Starbucks Corp.	156	14,754
Total Consumer Discretionary – 21.5%		244,447
Consumer Staples		
Brewers – 2.3%		
Anheuser-Busch InBev S.A. ADR	210	25,564
Hypermarkets & Super Centers – 2.3%		
Costco Wholesale Corp.	174	26,345
Packaged Foods & Meats – 1.0%		
Kraft Foods Group, Inc.	135	11,743
Tobacco – 1.7%		
Philip Morris International, Inc.	257	19,328
Total Consumer Staples – 7.3%		82,980

COMMON STOCKS (Continued)	Shares	Value
Energy		
Oil & Gas Exploration & Production – 3.3%		
Cabot Oil & Gas Corp.	576	\$ 17,018
EOG Resources, Inc.	38	3,475
Noble Energy, Inc.	349	17,042
		37,535
Oil & Gas Refining & Marketing – 1.1%		
Phillips 66	153	11,987
Oil & Gas Storage & Transportation – 1.8%		
MarkWest Energy Partners L.P.	314	20,775
Total Energy – 6.2%		70,297
Financials		
Consumer Finance – 1.6%		
Capital One Financial Corp.	230	18,121
Multi-Line Insurance – 1.7%		
American International Group, Inc.	353	19,324
Other Diversified Financial Services – 4.1%		
Citigroup, Inc.	909	46,811
Total Financials – 7.4%		84,256
Health Care		
Biotechnology – 4.1%		
Alexion Pharmaceuticals, Inc. (A)	121	21,004
Biogen, Inc. (A)	28	11,696
Celgene Corp. (A)	124	14,341
		47,041
Health Care Equipment – 3.1%		
Medtronic plc	448	34,916
Managed Health Care – 2.5%		
Humana, Inc.	163	29,088
Pharmaceuticals – 12.1%		
Actavis plc (A)	123	36,488
Bristol-Myers Squibb Co.	451	29,109
Shire Pharmaceuticals Group plc ADR	142	33,908
Teva Pharmaceutical Industries Ltd. ADR	606	37,741
		137,246
Total Health Care – 21.8%		248,291
Industrials		
Aerospace & Defense – 1.0%		
Boeing Co. (The)	77	11,586

COMMON STOCKS (Continued)	Shares	Value
Railroads – 6.1%		
Canadian Pacific Railway Ltd.	153	\$ 28,009
Kansas City Southern	202	20,579
Union Pacific Corp.	191	20,644
		69,232
Total Industrials – 7.1%		80,818
Information Technology		
Application Software – 3.9%		
Adobe Systems, Inc. (A)	371	27,402
Autodesk, Inc. (A)	295	17,281
		44,683
Data Processing & Outsourced Services – 4.3%		
Alliance Data Systems Corp. (A)	60	17,851
MasterCard, Inc., Class A	361	31,178
		49,029
Internet Software & Services – 1.4%		
Google, Inc., Class A (A)	30	16,530
IT Consulting & Other Services – 2.2%		
Cognizant Technology Solutions Corp., Class A (A)	394	24,607
Semiconductor Equipment – 4.1%		
Applied Materials, Inc.	2,059	46,440
Semiconductors – 2.5%		
Texas Instruments, Inc.	493	28,163
Systems Software – 2.0%		
Microsoft Corp.	553	22,474
Total Information Technology – 20.4%		231,926
Materials		
Diversified Chemicals – 1.6%		
PPG Industries, Inc.	81	18,246
Industrial Gases – 2.1%		
Air Products and Chemicals, Inc.	157	23,766
Total Materials – 3.7%		42,012
Telecommunication Services		
Alternative Carriers – 1.6%		
Level 3 Communications, Inc. (A)	342	18,424

SCHEDULE OF INVESTMENTS

Ivy Core Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Wireless Telecommunication Service – 2.0%		
American Tower Corp., Class A	245	\$ 23,048

**Total Telecommunication
Services – 3.6%** **41,472**

**TOTAL COMMON
STOCKS – 99.0%** **\$1,126,499**

(Cost: \$915,148)

SHORT-TERM SECURITIES

	Principal	Value
Commercial Paper (B) – 0.2%		
J.M. Smucker Co. (The), 0.280%, 4–1–15	\$1,756	\$1,756

Master Note – 0.2%
Toyota Motor Credit Corp.,
0.130%, 4–1–15 (C) 2,783 2,783

**TOTAL SHORT-TERM
SECURITIES – 0.4%** **\$4,539**

(Cost: \$4,539)

**TOTAL INVESTMENT
SECURITIES – 99.4%** **\$1,131,038**

(Cost: \$919,687)

**CASH AND OTHER ASSETS,
NET OF LIABILITIES – 0.6%** **6,426**

NET ASSETS – 100.0% **\$1,137,464**

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Rate shown is the yield to maturity at March 31, 2015.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$1,126,499	\$ —	\$ —
Short-Term Securities	—	4,539	—
Total	\$1,126,499	\$4,539	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronym is used throughout this schedule:

ADR = American Depositary Receipts

See Accompanying Notes to Financial Statements.



Andrew Massie

Ivy Cundill Global Value Fund is subadvised by Mackenzie Financial Corporation.

Below, Andrew Massie, Ivy Cundill Global Value Fund portfolio manager, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Massie has 32 years of industry experience and has managed the Fund since December 2007.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Cundill Global Value Fund (Class A shares at net asset value)	-8.02%
Ivy Cundill Global Value Fund (Class A shares including sales load)	-13.33%
Benchmark(s) and/or Lipper Category	
MSCI World Index (generally reflects the performance of securities that represent the global stock market)	6.03%
MSCI ACWI Value Index (generally reflects the performance of value-oriented securities that represent the global stock market, including emerging markets)	1.28%
Lipper Global Multi-Cap Value Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	1.58%

Effective July 2014, the Fund's benchmark changed from the MSCI World Index to the MSCI ACWI Value Index, which is more reflective of the types of securities in which the Fund invests.

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Poor performance in volatile markets

International markets were volatile for the fiscal year ending March 31, 2015. By and large, markets posted gains in local currency, but posted modest performance in U.S. dollars. The Fund's benchmark, the MSCI ACWI Value Index, was up approximately 1.3% on the year. While the U.S. Federal Reserve (Fed) exited its accommodative stance, monetary policy has remained very loose around the world. For example, shortly after the start of 2015, the European Central Bank (ECB) announced additional easing efforts – unveiling details of a one trillion-euro bond purchases program — that began in March.

For the 12 months ended March 31, 2015, the Fund posted negative performance and underperformed its benchmark. Underperformance was several fold, and at a high level, we believe value investing has been out of favor for an extended period of time. At the Fund level, sector allocation and security selection detracted from performance for the year. Underperformance was driven by poor stock selection in the energy, consumer discretionary, financials and industrials sectors. Regionally, an underweight allocation to U.S. stocks, along with an overweight allocation to South Korea, which performed poorly, detracted from Fund performance. An overweight allocation to European stocks was not beneficial, particularly in the case of Greece. On the other hand, the decision to hedge currency risk, notably in the euro and yen, was a positive contributor to performance.

Strategies and techniques

Through the year, certain investments were partially or fully harvested. Exposure to interest-rate-sensitive financials, such as American International Group and Bank of America were reduced, while a position in EFG Eurobank Ergasias S.A. — a recovery driven financial company — was established via a share offering. Similarly, gains were taken in Henderson Land, a Hong Kong based real estate conglomerate, and shifted into Cheung Kong Ltd., a similar business we believe has underperformed yet has an attractive margin of safety. (The Fund no longer holds Henderson Land.)

With the decline of oil prices through the year, the energy sector became an area of Fund focus. Oil prices tumbled through January 2015 on concerns of oversupply. In our view, mid- to longer-term oil supplies will naturally dwindle. As a result, demand could grow which likely would necessitate exploration and rebalance the supply/demand equilibrium. The sell-off in energy related stocks has provided a host of potential investments. Stock selection has been geared toward a lower weight across several companies in an effort to diversify the portfolio and reduce risk. The Fund held 39 equity holdings as of March 31, 2015. Our main area of focus has been on servicing companies such as drillers and well service providers, rather than exploration and producers. An additional energy theme for the Fund includes manufactures of high-quality drill pipe and equipment manufacturers/servicers in the industrials sector. In our view, these securities have declined similarly to energy producers, yet provide a less risky way to participate in an oil price recovery as they have less exposure to the economics of any one field or play.

During the year, the Fund utilized forward currency contracts to hedge some foreign currency exposure back to the U.S. dollar. With the strong U.S. dollar and weakness in the European economy, the Fund hedged a portion of its euro exposure. The British pound and Japanese yen were also hedged. The Fund's hedging strategy contributed positively to performance for year. This strategy remained in place as of fiscal year end.

Outlook

Over the foreseeable future, we think it is likely the ECB's accommodative policy to support the European economy will, among other things, inflate equity prices much like the Fed's quantitative easing did in the U.S. We believe the outlier will be what happens with Greece – consensus seems to indicate an expectation that they will “muddle through” with concessions by both sides. However, if a Greek exit from the euro becomes evident, currency and equity markets may be turbulent.

Domestically, markets appear to be preparing for an interest rate hike. If not this quarter, then we think rates will rise by year end. The risk will be further dollar strength, which we believe could negatively impact a portion of the economy, notably exporters. A shift to a more conventional rate policy may have an impact beyond the U.S., possibly pushing the euro lower and detracting from emerging-market economies.

In our view, South Korea and energy-related stocks seem to be yielding the best risk/reward opportunity for value investors, and we expect opportunities to emerge in Europe. That said, we will continue to seek investment opportunities in all sectors and countries, while waiting for a more favorable environment for a deep value style.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Value stocks are stocks of companies that may have experienced adverse business or industry developments or may be subject to special risks that have caused the stocks to be out of favor and, in the opinion of the Fund's manager, undervalued. The value of a security believed by the Fund's manager to be undervalued may never reach what the manager believes to be its full value, or such security's value may decrease.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted are unmanaged and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Cundill Global Value Fund.

PORTFOLIO HIGHLIGHTS

Ivy Cundill Global Value Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	83.8%
Financials	26.7%
Consumer Discretionary	22.0%
Energy	13.6%
Industrials	9.1%
Materials	6.4%
Consumer Staples	3.6%
Information Technology	2.4%
Bonds	3.0%
Corporate Debt Securities	2.9%
Other Government Securities	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	13.2%

Lipper Rankings

Category: Lipper Global Multi-Cap Value Funds	Rank	Percentile
1 Year	82/89	92
3 Year	62/69	89
5 Year	38/44	85
10 Year	23/26	86

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
American International Group, Inc.	United States	Financials	Multi-Line Insurance
Citigroup, Inc.	United States	Financials	Other Diversified Financial Services
Mediaset S.p.A.	Italy	Consumer Discretionary	Broadcasting
Munchener Ruckversicherungs-Gesellschaft AG, Registered Shares	Germany	Financials	Reinsurance
Bank of America Corp.	United States	Financials	Diversified Banks
SANKYO Co. Ltd.	Japan	Consumer Discretionary	Leisure Products
POSCO	South Korea	Materials	Steel
Hyundai Motor Co.	South Korea	Consumer Discretionary	Automobile Manufacturers
Chesapeake Energy Corp.	United States	Energy	Oil & Gas Exploration & Production
Group 4 Securicor plc	United Kingdom	Industrials	Security & Alarm Services

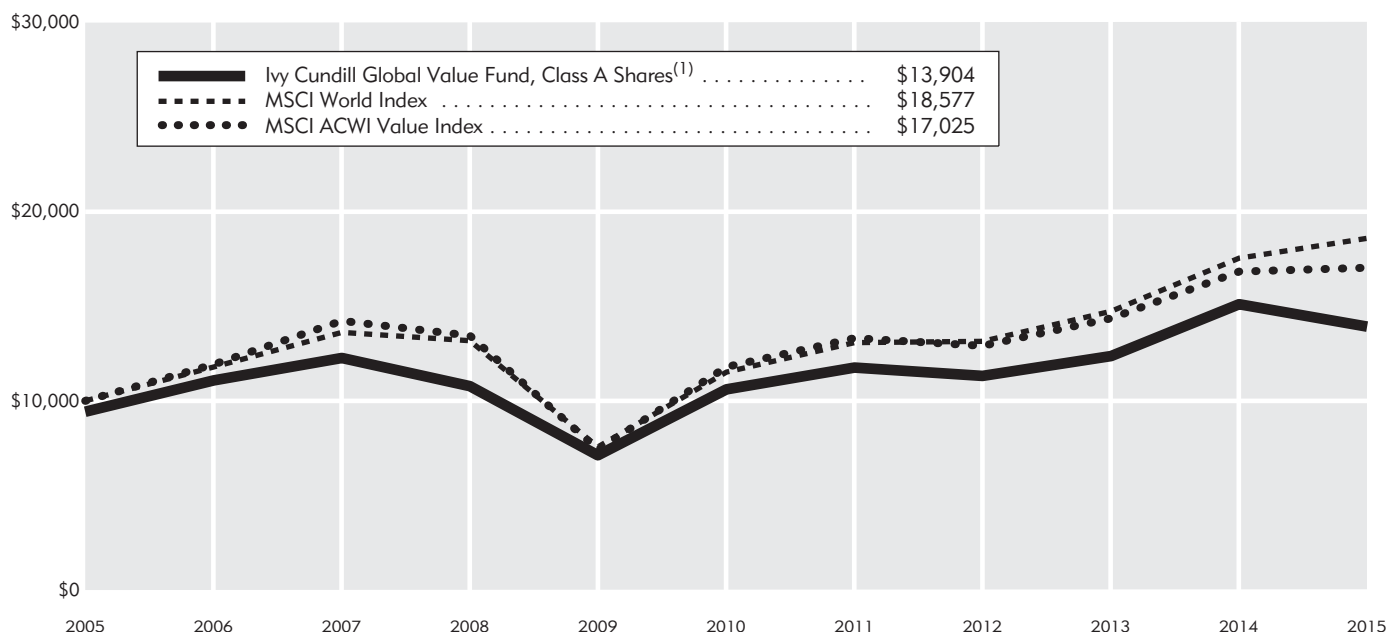
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Cundill Global Value Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-13.33%	-12.73%	-8.63%	-13.32%	-7.58%	-8.19%	—	-7.86%
5-year period ended 3-31-15	4.30%	4.29%	4.93%	4.47%	6.12%	—	—	5.99%
10-year period ended 3-31-15	3.35%	3.21%	3.35%	—	—	—	—	4.46%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	0.94%	2.25%	8.73%	-8.72%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

The Fund's benchmark changed from MSCI World Index, effective May 2014. Ivy Investment Management Company ("IICO") believes that the MSCI ACWI Value Index provides a better benchmark for the Fund in light of the type of securities in which the Fund invests. For comparison purposes, the prior benchmark, MSCI World Index, is included in this report.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Cundill Global Value Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Brazil			Financials – 3.0%			United States		
Energy – 0.0%			Cheung Kong (Holdings)			Consumer Discretionary – 2.3%		
HRT Participacoes Em			Ltd.	158	\$ 3,236	GameStop Corp.,		
Petroleo S.A. (A)	28	\$ 40	First Pacific Co. Ltd.	6,167	6,157	Class A	190	\$ 7,197
					9,393			
Financials – 1.1%			Total Hong Kong – 4.0%		\$12,679	Energy – 6.2%		
BR Properties S.A.	821	3,397				Apache Corp.	65	3,891
			Italy			Chesapeake Energy		
Total Brazil – 1.1%		\$ 3,437	Consumer Discretionary – 4.7%			Corp.	399	5,655
Canada			Mediaset S.p.A.	3,270	14,958	Helmerich & Payne,		
Energy – 2.2%						Inc.	15	1,001
Cenovus Energy, Inc.	287	4,842	Total Italy – 4.7%		\$14,958	Rowan Cos., Inc.	325	5,763
EnCana Corp.	208	2,316				Transocean Ltd.	243	3,559
		7,158	Japan					19,869
Materials – 1.6%			Consumer Discretionary – 7.6%			Financials – 17.2%		
Canfor Corp. (A)	251	5,022	Honda Motor Co. Ltd.	205	6,661	American International		
			SANKYO Co. Ltd.	372	13,260	Group, Inc.	388	21,262
Total Canada – 3.8%		\$12,180	Sega Sammy Holdings,			Bank of America		
France			Inc.	299	4,374	Corp.	891	13,720
Industrials – 5.3%					24,295	Citigroup, Inc.	386	19,905
Compagnie de			Total Japan – 7.6%		\$24,295			54,887
Saint-Gobain	160	7,049	Luxembourg			Information Technology – 2.4%		
Vallourec	85	2,077	Energy – 1.2%			Microsoft Corp.	190	7,717
Vinci	135	7,715	Tenaris S.A.	272	3,824			
		16,841				Total United States – 28.1%		\$ 89,670
Total France – 5.3%		\$16,841	Total Luxembourg – 1.2%		\$ 3,824	TOTAL COMMON		
Germany			Netherlands			STOCKS – 80.9%		\$257,803
Consumer Discretionary – 2.7%			Industrials – 1.0%			(Cost: \$236,443)		
adidas AG	110	8,692	TNT Express N.V.	524	3,338	PREFERRED STOCKS		
						United States		
Financials – 4.5%			Total Netherlands – 1.0%		\$ 3,338	Energy – 2.9%		
Munchener			South Korea			Chesapeake Energy		
Ruckversicherungs-			Consumer Discretionary – 3.4%			Corp., 5.750%,		
Gesellschaft AG,			Hyundai Motor Co.	72	10,881	Convertible (B)	10	9,049
Registered Shares	65	14,125				Total United States – 2.9%		\$ 9,049
			Consumer Staples – 3.6%			TOTAL PREFERRED		
Total Germany – 7.2%		\$22,817	Korea Tobacco & Ginseng			STOCKS – 2.9%		\$ 9,049
Greece			Corp.	70	5,561	(Cost: \$10,733)		
Consumer Discretionary – 0.3%			Nongshim Co. Ltd.	27	5,903	CORPORATE DEBT		
Intralot S.A. Integrated					11,464	SECURITIES		
Lottery Systems and			Materials – 4.8%			Principal		
Services (A)	626	1,010	POSCO	56	12,367	Canada		
			POSCO ADR	54	2,957	Telecommunication Services – 2.9%		
Financials – 0.9%					15,324	BlackBerry Ltd.,		
EFG Eurobank Ergasias			Total South Korea – 11.8%		\$37,669	Convertible		
S.A. (A)	23,777	2,685	United Kingdom			6.000%, 11–13–20 ..	\$7,020	9,127
			Energy – 1.1%			Total Canada – 2.9%		\$ 9,127
Total Greece – 1.2%		\$ 3,695	BP plc ADR	86	3,367	TOTAL CORPORATE DEBT		
Hong Kong						SECURITIES – 2.9%		\$ 9,127
Consumer Discretionary – 1.0%			Industrials – 2.8%			(Cost: \$7,020)		
Melco PBL Entertainment			Group 4 Securicor plc	2,059	9,033			
(Macau) Ltd. ADR	153	3,286						
			Total United Kingdom – 3.9%		\$12,400			

SCHEDULE OF INVESTMENTS

Ivy Cundill Global Value Fund *(in thousands)*

MARCH 31, 2015

OTHER GOVERNMENT SECURITIES (C)

	Principal	Value
Greece – 0.1%		
Hellenic Republic:		
2.000%, 2-24-23 (D)	EUR 18	\$11
2.000%, 2-24-24 (D)	18	10
2.000%, 2-24-25 (D)	18	10
2.000%, 2-24-26 (D)	18	10
2.000%, 2-24-27 (D)	18	9
2.000%, 2-24-28 (D)	19	10
2.000%, 2-24-29 (D)	19	10
2.000%, 2-24-30 (D)	19	10
2.000%, 2-24-31 (D)	19	10
2.000%, 2-24-32 (D)	19	10
2.000%, 2-24-33 (D)	19	10
2.000%, 2-24-34 (D)	19	10
2.000%, 2-24-35 (D)	19	10
2.000%, 2-24-36 (D)	19	10
2.000%, 2-24-37 (D)	19	10
2.000%, 2-24-38 (D)	19	10
2.000%, 2-24-39 (D)	19	10

OTHER GOVERNMENT SECURITIES (C) (Continued)

	Principal	Value
Greece (Continued)		
2.000%, 2-24-40 (D)	EUR 19	\$ 10
2.000%, 2-24-41 (D)	19	10
2.000%, 2-24-42 (D)	19	10
0.000%, 10-15-42 (D)(E) . . .	378	2
		<u>202</u>
TOTAL OTHER GOVERNMENT SECURITIES – 0.1%		\$202
(Cost: \$95)		

SHORT-TERM SECURITIES

	Principal	Value
United States Government Agency Obligations – 12.7%		
Overseas Private Investment Corp. (GTD by U.S. Government):		
0.110%, 4-1-15 (F) . . .	\$23,283	\$ 23,282
0.110%, 4-7-15 (F) . . .	17,297	17,297
		<u>40,579</u>
TOTAL SHORT-TERM SECURITIES – 12.7%		\$ 40,579
(Cost: \$40,579)		
TOTAL INVESTMENT SECURITIES – 99.5%		\$316,760
(Cost: \$294,870)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.5%		1,750
NET ASSETS – 100.0%		\$318,510

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$9,049 or 2.8% of net assets.

(C) Other Government Securities include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(D) Principal amounts are denominated in the indicated foreign currency, where applicable (EUR - Euro).

(E) Zero coupon bond.

(F) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
Japanese Yen	1,233,900	U.S. Dollar	10,435	6-3-15	Morgan Stanley International	\$ 138	\$—
Euro	25,510	U.S. Dollar	28,570	6-19-15	Morgan Stanley International	1,111	—
Japanese Yen	1,253,000	U.S. Dollar	10,502	7-8-15	Morgan Stanley International	40	—
Japanese Yen	225,000	U.S. Dollar	1,892	5-13-15	State Street Global Markets	15	—
Euro	3,500	U.S. Dollar	3,833	5-15-15	State Street Global Markets	67	—
British Pound	3,060	U.S. Dollar	4,725	7-17-15	State Street Global Markets	189	—
						\$1,560	\$—

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$257,803	\$ —	\$ —
Preferred Stocks	—	9,049	—
Corporate Debt Securities	—	—	9,127
Other Government Securities	—	202	—
Short-Term Securities	—	40,579	—
Total	\$257,803	\$49,830	\$9,127
Forward Foreign Currency Contracts	\$ —	\$ 1,560	\$ —

SCHEDULE OF INVESTMENTS

Ivy Cundill Global Value Fund *(in thousands)*

MARCH 31, 2015

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Corporate Debt Securities
Beginning Balance 4-1-14	\$7,117
Net realized gain (loss)	—
Net change in unrealized appreciation (depreciation)	2,010
Purchases	—
Sales	—
Amortization/Accretion of premium/discount	—
Transfers into Level 3 during the period	—
Transfers out of Level 3 during the period	—
Ending Balance 3-31-15	\$9,127
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 3-31-15	\$2,010

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. As shown above, transfers in and out of Level 3 represent the values as of the beginning of the reporting period. During the period ended March 31, 2015, there were no transfers between Levels 1 and 2.

Information about Level 3 fair value measurements:

	Fair Value at 3-31-15	Valuation Technique(s)	Unobservable Input(s)
Assets			
Corporate Debt Securities	\$9,127	Third-party valuation service	Broker quotes

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

Market Sector Diversification (as a % of net assets)		Materials	6.4%
Financials	26.7%	Consumer Staples	3.6%
Consumer Discretionary	22.0%	Telecommunication Services	2.9%
Energy	13.6%	Information Technology	2.4%
Industrials	9.1%	Other Government Securities	0.1%
		Other+	13.2%

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Christopher J. Parker

Christopher J. Parker, CFA, who has 19 years of industry experience, became portfolio manager of Ivy Dividend Opportunities Fund in August 2014. The Fund previously was managed by Cynthia P. Prince-Fox from July 2013 to July 2014 and prior to that, it was managed by David P. Ginther, CFA. Below, Mr. Parker discusses positioning, performance and results for the fiscal year ended March 31, 2015.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Dividend Opportunities Fund (Class A shares at net asset value)	8.19%
Ivy Dividend Opportunities Fund (Class A shares including sales charges)	1.95%
Benchmark(s) and/or Lipper Category	
Russell 1000 Index	12.73%
(generally reflects the performance of stocks that represent the equity market)	
Lipper Equity Income Funds Universe Average	7.95%
(generally reflects the performance of the universe of funds with similar investment objectives)	

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Key drivers

The past 12-month period ended March 31, 2015 represented a favorable period for large-cap equities for the most part, with the Russell 1000 index rising by 12.7% and the Lipper Equity Income Funds Universe posting an average of nearly 8%. Over the course of the period we experienced what seem to be the now typical ebbs and flows of optimism and pessimism around economic growth. With that being said, we saw the fiscal year evolve around three large themes: 1) activism/merger and acquisition (M&A) activity, 2) oil prices and 3) interest rates and currencies. We believe these themes continue to influence market dynamics as we progress into a new fiscal period.

Activism has been present for decades in various forms, from the early days of greenmail to corporate raiders and leveraged buyouts. The initial pressure from the fear of being raided or taken over in a hostile transaction drove an era of heightened focus on value creation via a variety of forms, not the least of which was corporate restructuring (operational optimization) and capital structure optimization. Upon coming out of the financial crisis, many companies were able to deliver solid returns for shareholders simply due to the depressed level of share prices and continuing doubts regarding the certainty of the broader economic recovery. However, as the recovery matured, and strong stock price performance was not as uniform, a new and increased push has come from the activist community. In the past, some companies were thought to be highly unlikely candidates for activism due to generally solid positions (not really broken, but not being run optimally necessarily) or simply size. However, a new era of activism has emerged where no one is “safe” (Apple Inc. and Microsoft Corp. have been the target of activist funds recently) and where companies appear to increasingly realize that working with activists may often be a genuine value creating strategy.

This fresh wave of activism has driven a renewed push for better capital management (for example returns of cash to shareholders from companies such as Apple), and has pushed boards to be far less tolerant of management underperformance. This push has also increased focus upon corporate portfolio restructuring. Portfolio restructuring has included shedding businesses over the past few years via spinoff and divestitures and this fiscal year has taken the form of a strong wave of M&A. With money incredibly cheap, confidence high and increased pressure on management teams to perform, a wave of activity has been unleashed. Nowhere has this been more evident than in health care, which was the best performing sector due in large part to value creation from accretive strategic M&A. Additionally, even in previously quiet sectors, M&A has cropped up — with the most obvious example being the acquisition of Kraft Foods (not a holding of the Fund). It is a bit of an over-simplification, but the message is clear — act or perish! This isn't a theme we invest around specifically, but we do not expect this surge to dissipate anytime soon.

The impact of oil prices is something that unfolded dramatically over the course of the year and is still playing out. Energy was the worst performing sector last year as the price of this commodity was cut in half over the past nine months. To a degree, this is about a lot of value transfer. We believe oil producers and service companies must now adjust to a new world in which OPEC should not be expected to support prices that are above the level that is justified by the global cost curve (which has been dropping as new technologies applied in U.S. unconventional reserves have opened new areas for exploration at declining costs). Thus, we find OPEC no longer is the fulcrum that will balance the market, U.S. unconventional reserves appear to be, for the time being. This has perpetuated a required balancing of the market, which has driven down prices and caused exploration and production companies (E&P) to dramatically cut back on spending. The direct impact on E&P and oil services earnings has yet to fully work its way through the profit and loss statements of these companies, but it will and when it does, we expect lower quality operators and businesses to be increasingly marginalized. Additionally, energy E&P has been a prodigious driver of growth and supernormal operating profitability in numerous other segments such as industrials and materials. These sectors have underperformed in light of this reset, and we believe more is likely to come. We think the big winner here will be the U.S. consumer, who should enjoy lower prices at the pump and a lower general level of price inflation as energy costs touch lots of areas of consumer spending in many indirect ways. We do not believe the true impact of this dynamic has totally shaken out yet, and we are actively looking for opportunities around this factor that fit our framework and approach.

Finally, we come to interest rates and currency. Since the start of the financial crisis, the Federal Reserve (Fed) has been the most aggressive central bank in terms of using any and all tools in its arsenal to stabilize, support and grow the U.S. economy. This is juxtaposed against numerous other

central banks that have been viewed as being largely behind the curve. This has kept U.S. rates low, the dollar weak and has supported U.S. asset prices. In the past 12 months that script has flipped. The Fed has completed its quantitative easing program, and has pivoted to a discussion regarding the timing of an initial increase in the fed funds rate and what the path to normalization of interest rates will look like. At the same time, the European central bank (ECB) has acted to push down interest rates across the Continent via its own quantitative easing program, and via a parallel communication campaign regarding its willingness to act in whatever manor needed to begin to improve economic activity and support asset prices in Europe. The impact has been plunging interest rates across the board in Europe (with negative rates becoming quite common), a general suppression of interest rates on long-duration assets globally and a surge in the value of the dollar. The impact on companies and financial markets is multifaceted. The first order effect is clear and is playing out. This is the translation impact on multinational earnings from a stronger dollar. We believe that the second order impact that has yet to get fully fleshed out in the markets or in economic and corporate data is the sizable shift in the cost curve that we find has just occurred for U.S. and foreign producers of all sorts of goods. We expect this to be a headwind for some businesses that have other levers to pull to offset this pressure, but also believe it will be far more problematic for some domestic businesses and think it should be a sizable opportunity for companies in regions such as Europe and Japan that we believe are now dramatically more competitive on the global market.

Contributors and detractors

The Fund underperformed its benchmark during the fiscal year ended March 31, 2105. Relative performance was negatively impacted by both sector allocation and stock selection during the period. From a sector allocation perspective, the Fund's underweight position in technology was a drag on performance, as was the Fund's overweight positions in materials and industrials. The Fund's underweight position in energy was the most favorable contributor to returns from a sector perspective. Stock selection in energy and materials were favorable, while stock selection in health care and technology stood out as creating the most significant drag on performance.

From the perspective of individual securities Limited Brands, Apple, Home Depot and Bristol Myers Squibb were the greatest contributors to returns. Wynn Resorts, Seagate Technology, Occidental Petroleum and Caterpillar had the greatest negative impact on the Fund's returns.

General strategy going forward

Dividends are a source of income for investors and can provide some stability of returns as well. One of the objectives of the Fund is to provide an attractive level of income for our investors relative to the overall equity market (we also look to offer an income stream that grows over time as well). However, dividend yields and changes in dividend policy are also signals of how the market is thinking about the future prospects of a particular company or how management is thinking about its business and its relationship with its shareholders. In addition to generating income for our investors, our approach will be centered around seeking to exploit those aforementioned signals to generate an attractive total return for Fund investors.

The first signal is above average-dividend yields. We think this can signal some skepticism about the future prospects of a business (in much the same way we believe a low price-to-earnings ratio can indicate the same) or it may convey that growth expectations are substantially lower than average. We believe that using the dividend yield alone is highly susceptible to value traps and is a blunt instrument. However, when an above-average dividend yield is combined with an attractive valuation on free-cash-flow and earnings before interest, taxes, depreciation and amortization (EBITDA) metrics, the combination can create a rich universe of potential investments. Our bias here is also for companies that we think can grow the dividend at a reasonable rate either due to a below average, but rising payout ratio or attractive underlying earnings growth. We are basically using additional valuation metrics to confirm what we think is the signal of potential cheapness created by the above-average yield, but also using the bias toward growth to avoid instances where yield is the vast source of return (and where our growth in income would be uninspiring).

The second signal, in our view, is changes in dividend and capital return policy, or simply rapid dividend growth. In this case, we are still using cash flow and EBITDA-based metrics to evaluate what we believe is relative cheapness, but are much more focused on prospects for noteworthy changes in dividend policy (rapid increases in dividends from an initial low level or initiation) or simply rapid dividend growth driven by strong earnings growth. We believe such changes in policy are often an indication of management's greater confidence in its business prospects or the durability of cash generation or an increased focus on rewarding shareholders. We further believe that both of these are strong positive signals that, when combined with what we think is an attractive valuation, can lead to large returns (and may also provide good income growth).

Finally, we must note that the above criteria merely define the Fund's approach and universe. Each name is subject to thorough fundamental research and our estimate of intrinsic value and potential return is determined. Additionally, near- and medium-term risks and catalysts are also evaluated before stocks enter the Fund and are considered in sizing of positions.

Outlook

Our outlook for equities in the near-term is increasingly neutral. Multiples are not excessive in our view, outside of a few subsectors. However, we believe that the outlook for earnings growth is increasingly messy given foreign currency impacts as well as fundamental slowing in certain areas due to changes in the global competitive environment. We are concerned about the sense of broad complacency that appears to exist regarding these risk factors as well as the ability of the Fed to manage its exit from zero-interest rate policy without incident (either in the form of a slowing economy or downward market volatility). As a result we are cautious, and seeking to allocate capital to opportunities that we think appear attractive in the context of this type of market environment.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investments. Dividend-paying instruments may not experience the same price appreciation as non-dividend paying investments. There is no guarantee that the companies in which the Fund invests will declare dividends in the future or that dividends, if declared, will remain at current levels or increase over time. The amount of any dividend paid by the company may fluctuate significantly. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of Ivy Dividend Opportunities Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Dividend Opportunities Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	91.0%
Health Care	16.3%
Information Technology	15.8%
Financials	15.4%
Consumer Discretionary	13.8%
Industrials	13.7%
Energy	5.8%
Consumer Staples	5.0%
Materials	3.7%
Utilities	1.5%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	9.0%

Lipper Rankings

Category: Lipper Equity Income Funds	Rank	Percentile
1 Year	242/499	49
3 Year	213/359	60
5 Year	220/286	77
10 Year	86/176	49

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

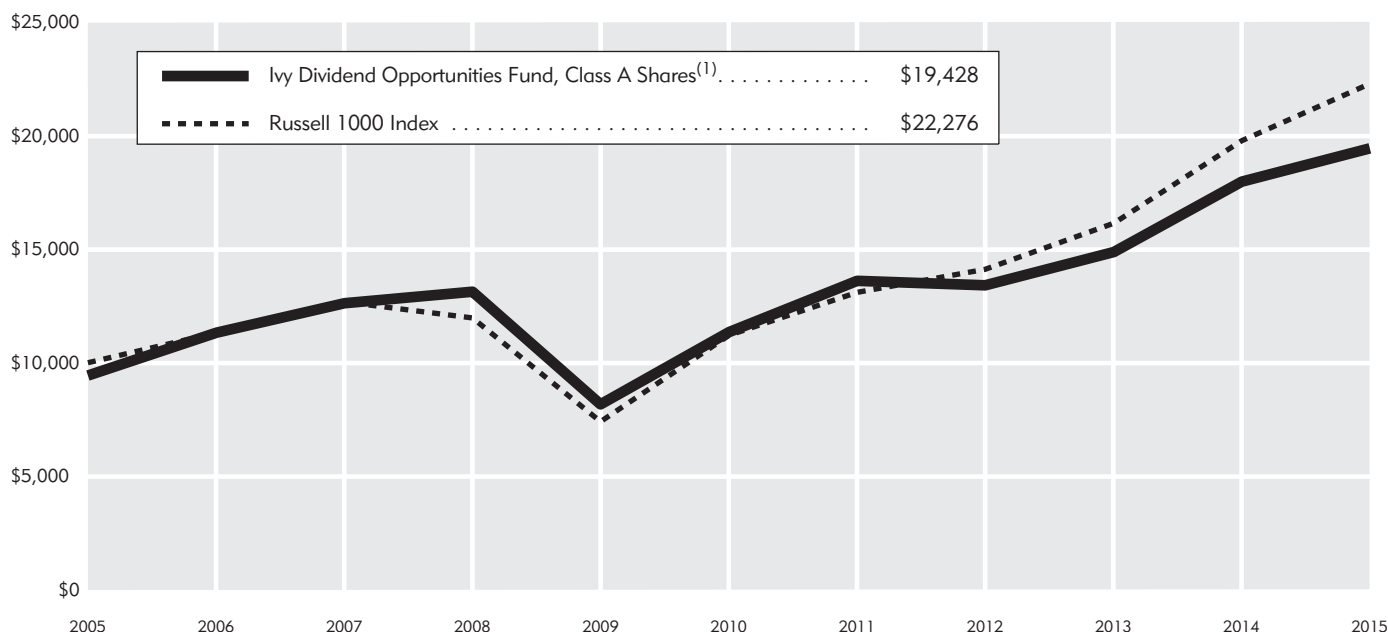
Company	Sector	Industry
Teva Pharmaceutical Industries Ltd. ADR	Health Care	Pharmaceuticals
Medtronic, Inc.	Health Care	Health Care Equipment
Bristol-Myers Squibb Co.	Health Care	Pharmaceuticals
Applied Materials, Inc.	Information Technology	Semiconductor Equipment
Citigroup, Inc.	Financials	Other Diversified Financial Services
JPMorgan Chase & Co.	Financials	Other Diversified Financial Services
Pfizer, Inc.	Health Care	Pharmaceuticals
Honeywell International, Inc.	Industrials	Aerospace & Defense
Seagate Technology	Information Technology	Technology Hardware, Storage & Peripherals
Eaton Corp.	Industrials	Industrial Machinery

See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT Ivy Dividend Opportunities Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	1.95%	3.48%	7.46%	1.82%	8.50%	7.90%	—	8.25%
5-year period ended 3-31-15	10.03%	10.26%	10.59%	9.93%	11.72%	—	—	11.44%
10-year period ended 3-31-15	6.87%	6.71%	6.74%	—	—	—	—	7.63%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	4.57%	5.89%	16.40%	6.76%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Dividend Opportunities Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Advertising – 1.7%		
Omnicom Group, Inc.	94	\$ 7,365
Apparel Retail – 2.0%		
Limited Brands, Inc.	89	8,373
Automobile Manufacturers – 1.1%		
Ford Motor Co.	281	4,527
Cable & Satellite – 3.2%		
Comcast Corp., Class A	144	8,154
Time Warner Cable, Inc.	36	5,396
		13,550
Casinos & Gaming – 0.8%		
Wynn Resorts Ltd.	28	3,566
Consumer Electronics – 1.1%		
Garmin Ltd.	103	4,895
Home Improvement Retail – 1.9%		
Home Depot, Inc. (The)	70	7,970
Restaurants – 2.0%		
McDonald's Corp.	86	8,424
Total Consumer Discretionary – 13.8%		58,670
Consumer Staples		
Brewers – 2.4%		
Anheuser-Busch InBev S.A. ADR	84	10,204
Packaged Foods & Meats – 1.0%		
Mead Johnson Nutrition Co.	42	4,222
Tobacco – 1.6%		
Philip Morris International, Inc.	89	6,720
Total Consumer Staples – 5.0%		21,146
Energy		
Integrated Oil & Gas – 1.2%		
Occidental Petroleum Corp.	71	5,158
Oil & Gas Storage & Transportation – 4.6%		
Energy Transfer Equity L.P. ...	137	8,706
MarkWest Energy Partners L.P.	128	8,434
Plains GP Holdings L.P., Class A	81	2,299
		19,439
Total Energy – 5.8%		24,597
Financials		
Diversified Banks – 2.4%		
Wells Fargo & Co.	189	10,303

COMMON STOCKS (Continued)	Shares	Value
Industrial REITs – 1.4%		
ProLogis	133	\$ 5,789
Other Diversified Financial Services – 5.8%		
Citigroup, Inc.	248	12,790
JPMorgan Chase & Co.	200	12,140
		24,930
Property & Casualty Insurance – 2.0%		
ACE Ltd.	75	8,345
Regional Banks – 1.8%		
PNC Financial Services Group, Inc. (The)	82	7,683
Specialized REITs – 2.0%		
Crown Castle International Corp.	106	8,733
Total Financials – 15.4%		65,783
Health Care		
Health Care Equipment – 3.3%		
Medtronic plc	177	13,824
Pharmaceuticals – 13.0%		
Bristol-Myers Squibb Co.	213	13,759
Johnson & Johnson	78	7,847
Merck & Co., Inc.	120	6,900
Pfizer, Inc.	347	12,055
Teva Pharmaceutical Industries Ltd. ADR	240	14,936
		55,497
Total Health Care – 16.3%		69,321
Industrials		
Aerospace & Defense – 4.9%		
Boeing Co. (The)	62	9,260
Honeywell International, Inc.	111	11,526
		20,786
Commercial Printing – 1.7%		
Corrections Corp. of America	184	7,402
Construction Machinery & Heavy Trucks – 0.9%		
Caterpillar, Inc.	49	3,887
Industrial Machinery – 2.6%		
Eaton Corp.	163	11,054
Railroads – 2.1%		
Union Pacific Corp.	82	8,827
Research & Consulting Services – 1.5%		
Nielsen Holdings N.V.	149	6,641
Total Industrials – 13.7%		58,597

COMMON STOCKS (Continued)	Shares	Value
Information Technology		
Data Processing & Outsourced Services – 1.5%		
Paychex, Inc.	128	\$ 6,368
Semiconductor Equipment – 3.2%		
Applied Materials, Inc. ...	609	13,737
Semiconductors – 4.8%		
Analog Devices, Inc.	119	7,469
Microchip Technology, Inc.	87	4,242
Texas Instruments, Inc. ...	155	8,846
		20,557
Systems Software – 2.6%		
Microsoft Corp. (A)	268	10,890
Technology Hardware, Storage & Peripherals – 3.7%		
Apple, Inc. (A)	34	4,230
Seagate Technology	221	11,478
		15,708
Total Information Technology – 15.8%		67,260
Materials		
Diversified Chemicals – 3.7%		
Dow Chemical Co. (The) ...	152	7,305
PPG Industries, Inc.	39	8,683
		15,988
Total Materials – 3.7%		15,988
Utilities		
Electric Utilities – 1.5%		
PPL Corp.	197	6,636
Total Utilities – 1.5%		6,636
TOTAL COMMON STOCKS – 91.0%		\$387,998
(Cost: \$292,690)		
SHORT-TERM SECURITIES		
	Principal	
Commercial Paper (B) – 7.5%		
Air Products and Chemicals, Inc., 0.170%, 4–8–15	\$5,000	5,000
Becton Dickinson & Co., 0.440%, 4–7–15	5,000	5,000
Bemis Co., Inc., 0.510%, 4–23–15	5,000	4,998
General Mills, Inc., 0.470%, 4–7–15	8,000	7,999
Wisconsin Electric Power Co., 0.320%, 4–6–15	9,000	9,000
		31,997

SCHEDULE OF INVESTMENTS

Ivy Dividend Opportunities Fund *(in thousands)*

MARCH 31, 2015

SHORT-TERM

SECURITIES (Continued)	Principal	Value
Master Note – 1.4%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (C) . . .	\$5,886	\$ 5,886
TOTAL SHORT-TERM SECURITIES – 8.9%		\$ 37,883
(Cost: \$37,883)		
TOTAL INVESTMENT SECURITIES – 99.9%		\$425,881
(Cost: \$330,573)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.1%		218
NET ASSETS – 100.0%		\$426,099

Notes to Schedule of Investments

(A) All or a portion of securities with an aggregate value of \$5,654 are held in collateralized accounts to cover potential obligations with respect to outstanding written options.

(B) Rate shown is the yield to maturity at March 31, 2015.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following written options were outstanding at March 31, 2015 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
Apple, Inc.	N/A	Call	340	May 2015	\$138.00	\$ 59	\$(28)
McDonald's Corp.	N/A	Put	452	May 2015	92.50	50	(24)
						<u>\$109</u>	<u>\$(52)</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$387,998	\$ —	\$—
Short-Term Securities	—	37,883	—
Total	<u>\$387,998</u>	<u>\$37,883</u>	<u>\$—</u>
Liabilities			
Written Options	\$ 28	\$ 24	\$—

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts
REIT = Real Estate Investment Trusts

See Accompanying Notes to Financial Statements.

MANAGEMENT DISCUSSION

Ivy Emerging Markets Equity Fund

(UNAUDITED)



Frederick Jiang



Jonas Krumply

Below, Frederick Jiang, CFA, and Jonas M. Krumply, CFA, portfolio managers of Ivy Emerging Markets Equity Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Jiang has 21 years in the industry and 11 years with the Fund. Mr. Krumply has 33 years in the industry and one year with the Fund.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Emerging Markets Equity Fund (Class A shares at net asset value)	7.48%
Ivy Emerging Markets Equity Fund (Class A shares including sales charges)	1.28%
Benchmark(s) and/or Lipper Category	
MSCI Emerging Markets Index (generally reflects the performance of stocks across emerging market countries worldwide)	0.44%
Lipper Emerging Markets Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-1.61%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Volatile year for markets

It was another year of volatile returns driven by macroeconomic and geopolitical forces. U.S. equities closed a somewhat volatile year with gains after repeatedly reaching record highs in broad market indexes during the period. Global equities in general also finished the year slightly higher. Crude oil prices plunged worldwide in the second half of 2014 to levels not seen since 2009 on forecasts of reduced global demand along with OPEC's unwillingness to cut production. Late in the fiscal year, oil seemed to have found some support around the \$50 per barrel level. While the debate continues about when and where the price ultimately will bottom, lower oil prices could translate into another powerful tailwind for global growth.

The U.S. Federal Reserve (Fed) removed "patient" from its March 18, 2015, statement, which we think will allow flexibility in the timing of interest rate hikes, but then lowered its forecasts for gross domestic product and inserted language assuring the markets that it would not raise rates until it was "reasonably confident" the 2% inflation target is achieved. We think this means higher short-term rates are unlikely until the second half of 2015.

Many global central banks were in easing mode during the final quarter of the fiscal year – at least 20, including the Bank of Japan and the People's Bank of China — to stimulate their economies and, in most cases, weaken their currencies. The most surprising move in our view was by the Swiss National Bank in January 2015, which cut interest rates by 0.5 percentage point and removed its four-year-old currency peg to the euro. In March 2015, the European Central Bank began its own quantitative easing program, implementing a larger-than-expected bond purchasing program of more than 1 trillion euros. By the end of the fiscal year, activity and sentiment showed improvement in the Eurozone, led by Germany. Both the Northern and Southern European regions, except Greece, benefitted from extremely low yields. Greece's membership in the European Union remained unresolved as the fiscal year came to a close, but we do not think there is much interest on either side for the country to leave the European Union. Geopolitical forces, including the continued turmoil in Ukraine and Russia — which prompted economic sanctions against some Russian banks by western countries in the first half of 2014 — and across the Middle East, unsettled global markets at various times during the year.

Fund allocations a key factor

Country allocation and individual security selection were important drivers of the Fund's performance. The Fund had a positive return for the period, outperforming its benchmark index and its peer category average. Contributors to performance included overweight positions compared to the benchmark in Asia (in particular China and India); underweight positions in Latin America, Eastern Europe, the Middle East and Africa; and underweight positions in the telecommunications and financials sectors. Positive security selection in financials also contributed to performance.

The rally in the U.S. dollar, which began in earnest in July 2014, was a minor negative factor for the Fund's absolute performance, as its non-U.S. dollar linked currency exposures were not hedged. The sharpest declines in currencies during the fiscal year were in the Russian ruble (-39.8%), the Brazilian real (-29.0%) and Eastern European currencies in general (down 18 to 22%). The Fund was underweight in these markets. The uncertainty surrounding Fed interest rate policy continued to unsettle markets and presented a risk to our ability to forecast the direction of the dollar versus the euro, yen and non-dollar pegged emerging market currencies. In addition, the unexpected fall in oil prices caused a range of regional and country benefits and problems.

We continue to believe that being overweight in China and India is appropriate, given our view that both countries are likely to continue employing market-friendly reform policies. Late in 2014, qualified investors were allowed to buy Shanghai-listed shares of Chinese companies through the Hong Kong Stock Exchange and vice versa. After a slow start, trading volumes have increased rapidly. This Shanghai-Hong Stock Connect Program will soon be joined by a Shenzhen-Hong Kong Program. We think there is significant potential for further liquidity-driven performance in these markets. We currently have equity holdings that trade on both the Shanghai and Hong Kong exchanges.

On the monetary front, China's central bank has begun what we think is a long-term process of lowering rates and providing greater liquidity for the economy. Chinese economic data continue to soften, but the growth rate remains among the best of the major economies. We believe India is at the very early stages of an economic acceleration. Its newly elected government has been given a mandate for change. Fiscal reform is a slow process there and we think the economy will take a few more quarters to show the benefits of better governance. India is a major beneficiary of the lower energy prices in the fiscal year. The government was providing multi-billion dollar subsidies to buyers of diesel and gasoline each year, but these fuels now are sold at global market prices. The subsidy bill for other inputs such as fertilizer, liquid petroleum gas and grains also are likely to decline because of lower energy costs. We believe all of this helps to break the trend of very sticky, double-digit inflation. The decline of inflation to mid-single digits has started a cycle of lower current account deficits, a stronger currency and lower policy rates from India's central bank.

We are now also modestly overweight Russian and Brazilian equities compared to the benchmark index because of extremely low valuations of these equities and the countries' currencies. Neither country is showing any signs of economic growth, but the rate of decline has been slowing in both economies. For the moment, we believe that these countries are not long-term secular winners because of political and demographic issues in Russia and poor governance and a poor fiscal backdrop in Brazil. We can only hope that changes are made to address these factors, but there are no clear signs of that happening in the short run.

Key contributors to the Fund's performance were CAR, Inc., China's largest auto rental company which addresses both business and leisure markets; Cheil Industries, a diversified South Korean business services and leisure activities conglomerate; and SAIC, a Shanghai-listed auto company which manufactures its own brand of autos and operates joint ventures with General Motors and Volkswagen. Key detractors to performance were Galaxy Entertainment Group, a Macau-based gaming company that was hurt by China's government-led anti-corruption program; Petrobras, Brazil's national energy company which was hurt by a bribery scandal and a corporate investment program that resulted in cost overruns and delays in the completion of several projects; and Sberbank, Russia's largest bank which was impacted by economic sanctions linked to the Ukraine crisis. At the end of the Fund's fiscal year, Car, Inc. and SAIC Motor Corp. Ltd. were top holdings of the Fund. Cheil Industries and Galaxy Entertainment Group were not held as of the period's end.

Outlook

It is unclear to us why Saudi Arabia decided to maintain its oil production during November's OPEC meeting. Whether it was to slow U.S. shale oil production or affect the economies of Russia and Iran, we think it is highly unlikely that oil will get back over \$100 per barrel in the near or medium term without a major geopolitical event.

As has been the case in the past, we think domestic consumption and economic reforms will be the primary drivers of improving profits and share price performance for the majority of the holdings in the Fund. We also think country allocations will be key factors for performance going forward. We will continue to seek out companies that we believe have impressive corporate management in sectors that are best positioned for the current market environment.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. The value of the Fund's investments, as measured in U.S. dollars, may be unfavorably affected by changes in foreign currency exchange rates and exchange control regulations.

Investments in countries with emerging economies or securities markets may carry greater risk than investments in more developed countries. Political and economic structures in many such countries may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries. Investments in securities issued in these countries may be more volatile and less liquid than securities issued in more developed countries. These and other risks are more fully described in the Fund's prospectus.

In early 2014, economic sanctions were imposed on Russian officials and banks following Russia's annexation of the Ukrainian territory of Crimea. Such events and resulting sanctions could negatively affect the value of the Fund's investments in Russian securities.

The Shanghai-Hong Kong Stock Connect Program (Connect Program) is subject to quota limitations, and an investor cannot purchase and sell the same security on the same trading day, which may restrict the Fund's ability to invest in China A-shares through the Connect Program and to enter into or exit trades on a timely basis. The Shanghai market may be open at a time when the Connect Program is not trading, with the result that prices of China A-shares may fluctuate at times when the Fund is unable to add to or exit its position. Only certain China A-shares are eligible to be accessed through the Connect Program. Such securities may lose their eligibility at any time, in which case they could be sold, but could no longer be purchased through the Connect Program.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The indexes noted are unmanaged, include reinvested dividends and do not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Emerging Markets Equity Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Emerging Markets Equity Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.5%
Financials	24.6%
Information Technology	24.4%
Industrials	11.4%
Consumer Discretionary	10.3%
Consumer Staples	6.5%
Materials	5.7%
Utilities	5.5%
Health Care	4.6%
Energy	3.1%
Telecommunication Services	1.4%
Bullion (Gold)	1.8%
Purchased Options	0.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.5%

Lipper Rankings

Category: Lipper Emerging Markets Funds	Rank	Percentile
1 Year	23/764	4
3 Year	59/529	12
5 Year	93/332	28
10 Year	39/152	26

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
CAR, Inc.	China	Industrials	Trucking
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	Information Technology	Semiconductors
Fosun International Ltd.	Hong Kong	Materials	Steel
Naspers Ltd., Class N	South Africa	Consumer Discretionary	Cable & Satellite
Larsen & Toubro Ltd.	India	Industrials	Construction & Engineering
Samsung Electronics Co. Ltd.	South Korea	Information Technology	Semiconductors
GF Securities Co. Ltd., H Shares	China	Financials	Investment Banking & Brokerage
SAIC Motor Corp. Ltd., Class A	China	Consumer Discretionary	Automobile Manufacturers
Kweichow Moutai Co. Ltd., Class A	China	Consumer Staples	Distillers & Vintners
Baidu.com, Inc. ADR	China	Information Technology	Internet Software & Services

See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

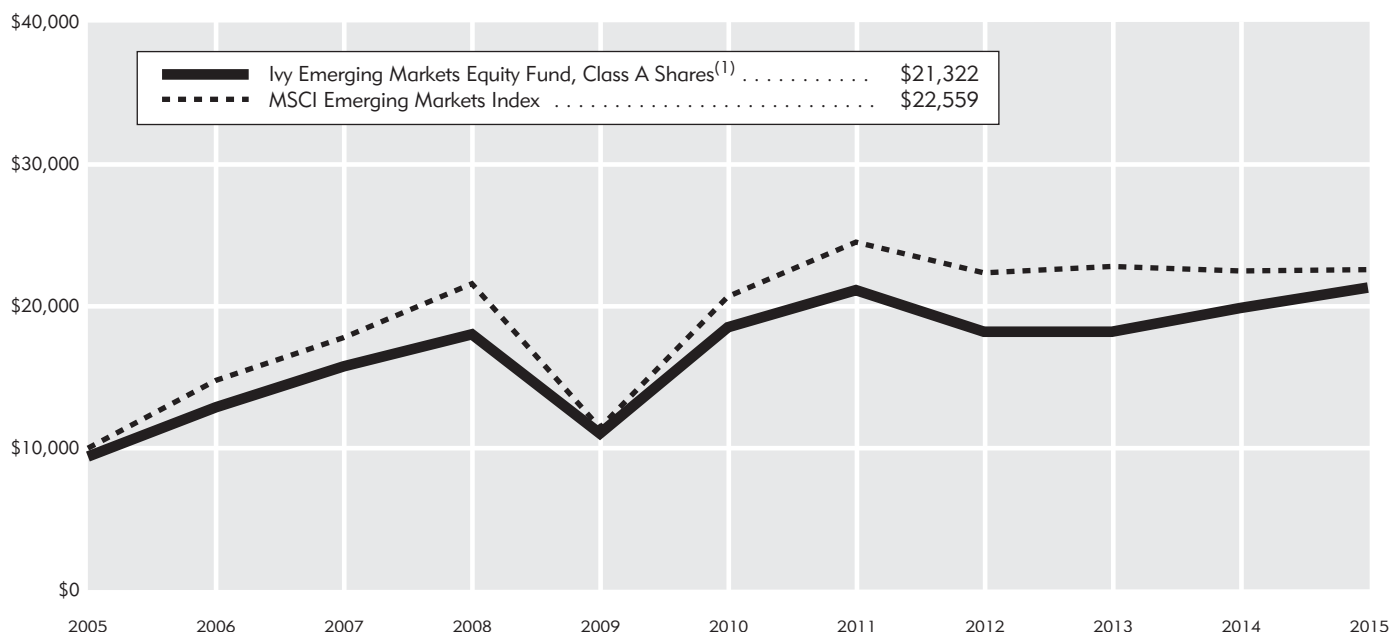
+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

Country Weightings

Pacific Basin	77.7%
China	28.3%
India	14.6%
South Korea	12.5%
Taiwan	11.8%
Indonesia	3.5%
Other Pacific Basin	7.0%
South America	5.0%
Brazil	5.0%
North America	4.7%
Africa	4.5%
South Africa	4.5%
Europe	3.9%
Russia	3.9%
Bullion (Gold)	1.8%
Other	1.7%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Purchased Options	0.7%

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT Ivy Emerging Markets Equity Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	1.28%	2.48%	6.56%	1.43%	7.78%	7.13%	—	7.41%
5-year period ended 3-31-15	1.67%	1.54%	2.08%	2.02%	3.38%	—	—	3.09%
10-year period ended 3-31-15	7.87%	7.57%	7.68%	—	—	—	—	8.77%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	3.48%	4.40%	6.30%	1.47%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Emerging Markets Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Brazil		
Consumer Staples – 2.8%		
BRF-Brasil Foods S.A.	395	\$ 7,823
Raia Drogasil S.A.	1,014	9,070
		<u>16,893</u>
Energy – 0.8%		
Petroleo Brasileiro S.A.	1,569	4,818
Financials – 1.4%		
Itau Unibanco Holdings S.A.	792	8,787
		<u>8,787</u>
Total Brazil – 5.0%		\$30,498
China		
Consumer Discretionary – 2.9%		
Bona Film Group Ltd. ADR (A)	501	3,727
SAIC Motor Corp. Ltd., Class A	3,522	14,123
		<u>17,850</u>
Consumer Staples – 2.3%		
Kweichow Moutai Co. Ltd., Class A	442	13,956
Financials – 8.3%		
BOC Hong Kong (Holdings) Ltd., H Shares	21,655	12,514
GF Securities Co. Ltd., H Shares (A)(B)	6,000	14,588
Ping An Insurance (Group) Co. of China Ltd., A Shares	771	9,726
Ping An Insurance (Group) Co. of China Ltd., H Shares	641	7,706
Shimao Property Holdings Ltd.	2,865	6,023
		<u>50,557</u>
Industrials – 5.6%		
AviChina Industry & Technology Co. Ltd., H Shares	12	9
CAR, Inc. (A)	18,235	34,576
		<u>34,585</u>
Information Technology – 5.0%		
Baidu.com, Inc. ADR (A)(C)	66	13,740
GCL-Poly Energy Holdings Ltd.	23,052	6,095
Tencent Holdings Ltd.	563	10,684
		<u>30,519</u>
Telecommunication Services – 1.4%		
China Unicom Ltd.	5,548	8,444

COMMON STOCKS (Continued)	Shares	Value
Utilities – 2.8%		
CGN Power Co. Ltd., H Shares (A)	26,359	\$ 11,356
Huadian Fuxin Energy Corp. Ltd., H Shares (A)	12,435	6,095
		<u>17,451</u>
Total China – 28.3%		\$173,362
Hong Kong		
Materials – 3.4%		
Fosun International Ltd.	10,667	20,666
		<u>20,666</u>
Total Hong Kong – 3.4%		\$ 20,666
India		
Consumer Discretionary – 1.6%		
Cox and Kings (India) Ltd.	611	3,165
Page Industries Ltd.	30	6,568
		<u>9,733</u>
Financials – 5.8%		
Axis Bank Ltd.	1,045	9,359
HDFC Bank Ltd.	789	12,888
Shriram Transport Finance Co. Ltd.	284	5,062
State Bank of India	1,933	8,249
		<u>35,558</u>
Health Care – 2.0%		
Lupin Ltd.	379	12,167
Industrials – 2.6%		
Larsen & Toubro Ltd.	572	15,711
Information Technology – 1.6%		
HCL Technologies Ltd.	636	9,956
Utilities – 1.0%		
Rural Electrification Corp. Ltd.	1,195	6,361
		<u>6,361</u>
Total India – 14.6%		\$ 89,486
Indonesia		
Financials – 2.6%		
PT Bank Mandiri (Persero) Tbk	7,725	7,370
PT Lippo Karawaci Tbk	81,662	8,432
		<u>15,802</u>
Industrials – 0.9%		
PT Jasa Marga (Persero) Tbk	10,602	5,838
		<u>5,838</u>
Total Indonesia – 3.5%		\$ 21,640

COMMON STOCKS (Continued)	Shares	Value
Israel		
Health Care – 1.7%		
Teva Pharmaceutical Industries Ltd. ADR	163	\$10,145
		<u>\$10,145</u>
Total Israel – 1.7%		\$10,145
Mexico		
Industrials – 0.7%		
Promotora y Operadora de Infraestructura S.A.B. de C.V. (A)	379	4,046
		<u>4,046</u>
Materials – 1.4%		
CEMEX S.A.B. de C.V. (A) ...	9,229	8,749
		<u>8,749</u>
Total Mexico – 2.1%		\$12,795
Russia		
Consumer Staples – 1.4%		
Magnit PJSC GDR	171	8,714
		<u>8,714</u>
Energy – 1.1%		
OAO LUKOIL ADR	148	6,874
		<u>6,874</u>
Financials – 0.9%		
Sberbank of Russia ADR	1,199	5,267
		<u>5,267</u>
Materials – 0.5%		
MMC Norilsk Nickel ADR ...	180	3,196
		<u>3,196</u>
Total Russia – 3.9%		\$24,051
South Africa		
Consumer Discretionary – 2.7%		
Naspers Ltd., Class N	108	16,631
		<u>16,631</u>
Energy – 0.9%		
Sasol Ltd.	160	5,449
		<u>5,449</u>
Health Care – 0.9%		
Aspen Pharmacare Holdings Ltd.	169	5,365
		<u>5,365</u>
Total South Africa – 4.5%		\$27,445
South Korea		
Consumer Discretionary – 3.1%		
Hotel Shilla Co. Ltd.	116	10,277
Hyundai Motor Co.	58	8,779
		<u>19,056</u>
Financials – 2.6%		
Samsung Fire & Marine Insurance Co. Ltd.	29	6,946
Shinhan Financial Group Co Ltd.	240	9,075
		<u>16,021</u>

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Emerging Markets Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Information Technology – 5.1%		
LG Display Co. Ltd.	201	\$ 5,663
Samsung Electronics Co. Ltd.	11	14,885
SK hynix, Inc.	256	10,495
		<u>31,043</u>
Utilities – 1.7%		
Korea Electric Power Corp. . .	250	10,351
		<u>10,351</u>
Total South Korea – 12.5%		\$76,471
Taiwan		
Information Technology – 11.8%		
Advanced Semiconductor Engineering, Inc.	8,101	10,939
Catcher Technology Co. Ltd.	1,031	10,807
Delta Electronics, Inc.	1,515	9,563
Taiwan Semiconductor Manufacturing Co. Ltd. . . .	5,716	26,580
TPK Holding Co. Ltd.	945	6,614
Zhen Ding Technology Holding Ltd.	2,348	7,654
		<u>72,157</u>
Total Taiwan – 11.8%		\$72,157
Thailand		
Financials – 2.0%		
Kasikornbank Public Co. Ltd.	1,739	12,291
		<u>12,291</u>
Total Thailand – 2.0%		\$12,291
Turkey		
Financials – 1.0%		
Emlak Konut Gayrimenkul Yatirim Ortakligi A.S.	5,442	6,177
		<u>6,177</u>
Industrials – 0.6%		
Turk Hava Yollari Anonim Ortakligi (A)	1,088	3,597
		<u>3,597</u>
Total Turkey – 1.6%		\$ 9,774
United States		
Energy – 0.3%		
Halliburton Co.	40	1,755
		<u>1,755</u>
Industrials – 1.0%		
Kansas City Southern	58	5,880
		<u>5,880</u>
Information Technology – 0.9%		
Qihoo 360 Technology Co. Ltd. (A)(C)	107	5,489
		<u>5,489</u>

COMMON STOCKS

(Continued)

	Shares	Value
Materials – 0.4%		
Balchem Corp.	47	\$ 2,625
		<u>2,625</u>
Total United States – 2.6%		\$ 15,749
TOTAL COMMON STOCKS – 97.5%		\$596,530
(Cost: \$491,520)		
	Number of Contracts (Unrounded)	
PURCHASED OPTIONS		
Halliburton Co.: Call \$47.50, Expires 4-17-15	800	5
Call \$43.00, Expires 5-15-15	400	88
ICICI Bank Ltd. ADR, Call \$12.50, Expires 1-15-16, OTC (Ctrpty: UBS AG)	2,500	134
Lukoil Co. ADR: Call \$53.00, Expires 4-17-15, OTC (Ctrpty: Bank of America N.A.) . .	640	10
Call \$45.00, Expires 6-19-15, OTC (Ctrpty: Bank of America N.A.) . .	580	215
Schlumberger Ltd., Call \$95.00, Expires 5-15-15	225	2
Vipshop Holdings Ltd. ADR, Call \$24.00, Expires 5-15-15, OTC (Ctrpty: UBS AG)	1,330	771
YPF Sociedad Amonima ADR: Call \$29.00, Expires 5-15-15, OTC (Ctrpty: UBS AG)	1,250	131
Call \$31.00, Expires 7-17-15, OTC (Ctrpty: UBS AG)	1,000	120
		<u>120</u>
TOTAL PURCHASED OPTIONS – 0.2%		\$ 1,476
(Cost: \$1,362)		

	Troy Ounces	Value
BULLION – 1.8%		
Gold	9	\$ 11,247
(Cost: \$12,094)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (D) – 0.5%		
Danaher Corp. 0.080%, 4-10-15	\$3,000	3,000
Master Note – 0.5%		
Toyota Motor Credit Corp. 0.130%, 4-1-15 (E) . . .	2,869	2,869
		<u>2,869</u>
TOTAL SHORT-TERM SECURITIES – 1.0%		\$ 5,869
(Cost: \$5,869)		
TOTAL INVESTMENT SECURITIES – 100.5%		\$615,122
(Cost: \$510,845)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.5)%		(3,173)
NET ASSETS – 100.0%		\$611,949

Notes to Consolidated Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$14,588 or 2.4% of net assets.

(C)All or a portion of securities with an aggregate value of \$15,696 are held in collateralized accounts to cover potential obligations with respect to outstanding written options.

(D)Rate shown is the yield to maturity at March 31, 2015.

(E)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Emerging Markets Equity Fund *(in thousands)*

MARCH 31, 2015

The following total return swap agreements were outstanding at March 31, 2015:

Counterparty	Number of Shares	Underlying Security	Termination Date	Notional Amount	Financing Fee ⁽¹⁾⁽²⁾	Unrealized Depreciation
UBS AG	3,870,000	Daqin Railway Co. Ltd.	12/17/2015	\$6,933	USD LIBOR + 0.700%	\$(49)

(1)The Fund pays the financing fee multiplied by the notional amount each month.

(2)At the termination date, a net cash flow is exchanged where the market-linked total return is equivalent to the return of the underlying security less a financing rate, if any. As the payer, a Fund would owe payments on any net positive total return, and would receive payments in the event of a negative total return.

The following written options were outstanding at March 31, 2015 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
Halliburton Co.	N/A	Put	400	April 2015	\$ 35.00	\$ 63	\$ (1)
	N/A	Put	400	May 2015	37.00	36	(7)
	N/A	Call	400	May 2015	47.00	9	(22)
ICICI Bank Ltd. ADR	UBS AG	Put	2,500	January 2016	11.00	241	(406)
	UBS AG	Call	2,500	January 2016	15.00	157	(50)
JD.com, Inc., Class A ADR	N/A	Put	1,287	June 2015	18.00	73	(10)
Lukoil Co. ADR	Bank of America N.A.	Put	640	April 2015	41.00	73	(10)
	Bank of America N.A.	Put	580	June 2015	35.00	128	(14)
	Bank of America N.A.	Call	580	June 2015	55.00	29	(35)
Qihoo 360 Technology Co. Ltd. ADR	N/A	Call	382	June 2015	75.00	75	(11)
Schlumberger Ltd.	N/A	Put	180	May 2015	75.00	57	(9)
	N/A	Call	225	May 2015	110.00	18	—*
Vipshop Holdings Ltd. ADR	UBS AG	Put	1,330	May 2015	20.00	148	(10)
	UBS AG	Call	1,330	May 2015	27.00	141	(465)
YPF Sociedad Amonima ADR	UBS AG	Put	1,250	April 2015	21.00	203	(22)
	UBS AG	Call	1,250	April 2015	34.00	102	(22)
	UBS AG	Put	1,250	May 2015	25.00	94	(94)
	UBS AG	Put	1,000	July 2015	25.00	137	(147)
						\$1,784	\$(1,335)

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks			
Consumer Discretionary	\$ 63,270	\$ —	\$—
Consumer Staples	39,563	—	—
Energy	18,896	—	—
Financials	135,872	14,588	—
Health Care	27,677	—	—
Industrials	69,657	—	—
Information Technology	149,164	—	—
Materials	35,236	—	—
Telecommunication Services	8,444	—	—
Utilities	34,163	—	—
Total Common Stocks	\$581,942	\$14,588	\$—
Purchased Options	95	1,381	—
Bullion	11,247	—	—
Short-Term Securities	—	5,869	—
Total	\$593,284	\$21,838	\$—
Liabilities			
Total Return Swaps	\$ —	\$ 49	\$—
Written Options	\$ 32	\$ 1,303	\$—

During the period ended March 31, 2015, there were no transfers between any levels.

CONSOLIDATED SCHEDULE OF INVESTMENTS

Ivy Emerging Markets Equity Fund *(in thousands)*

MARCH 31, 2015

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GDR = Global Depositary Receipts

OTC = Over the Counter

Market Sector Diversification			
(as a % of net assets)			
Financials	24.6%	Materials	5.7%
Information Technology	24.4%	Utilities	5.5%
Industrials	11.4%	Health Care	4.6%
Consumer Discretionary	10.3%	Energy	3.1%
Consumer Staples	6.5%	Telecommunication Services	1.4%
		Other+	2.5%

+Includes gold bullion, options, cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Robert E. Nightingale

Below, Robert E. Nightingale, portfolio manager of the Ivy European Opportunities Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Nightingale has managed the Fund since October 2013, and he has 19 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy European Opportunities Fund (Class A shares at net asset value)	–0.13%
Ivy European Opportunities Fund (Class A shares including sales load)	–5.89%
Benchmark(s) and/or Lipper Category	
MSCI Europe Index	–4.94%
(generally reflects the performance of securities representing the European stock market)	
Lipper European Region Funds Universe Average	–4.43%
(generally reflects the performance of the universe of funds with similar investment objectives)	

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

A down year for European markets in U.S. dollars

International markets performed poorly over the fiscal year ending March 31, 2015. The Fund's benchmark, the MSCI Europe Index, was down approximately 5% for the year. The Fund outperformed the benchmark for the period, but posted a slight loss, down –0.13%. Over the course of the year, international markets remained volatile, but less so than in previous years. Currently, monetary policy has remained very loose around the world, which has provided incentive for investors to seek returns in higher yielding bonds and stocks.

During the second quarter of 2014, international markets were driven higher by conviction in a U.S. recovery and sustained growth. Additionally, the belief that the European Central Bank (ECB) would do "whatever it takes" to stimulate the economy aided performance. The ECB implemented aggressive policies, taking rates negative and introducing the targeted longer-term refinancing operation (TLTRO) in an effort to inject additional credit into Europe. Market volatility increased, with the European market experiencing gains and losses throughout the year. By calendar year-end, the result was a generally flat market (in local terms). Shortly after the start of 2015, international markets reacted positively as the ECB announced additional easing efforts — unveiling details of a trillion-euro bond purchases program — to begin in March. This, along with signs of better economic data (confidence), drove the European market higher to finish the fiscal year.

Additionally, we believe the European market benefitted from less noise from Russia, rate cuts in China and large European firms receiving earning upgrades due to favorable currency effects. Investors also took notice of more economic, financial and legal reforms in Italy and France in an effort to more competitively position those countries. Investors returned to Europe hoping to play the long awaited European recovery.

The sharp fall in oil prices due to a stronger dollar and oversupply adversely impacted energy stocks, but we believe this will aid consumer-based economies/countries if the price stays at a relatively low level for an extended period.

Portfolio strategy — hits and misses

The Fund outperformed its benchmark for the fiscal year ending March 31, 2015, although it still posted a slightly negative absolute return. The Fund's sector allocation was helpful, and it benefitted in particular from overweight allocations to the better performing health care, industrials and information technology sectors. Health care and information technology were propelled by investors' continued interest in growth businesses and the potential for new/innovative products. In addition, the Fund's cash allocation (approximately 1%) benefitted performance in a strong dollar environment. Overall stock selection was also helpful, with stock picks in health care, financials and materials more than offsetting poor selection in energy, specifically exploration and production. Top individual contributors to performance included specialty pharmaceutical company Shire plc; wireless payment and processing services company Ingenico; and paper-packaging company Smurfit Kappa Group.

The Fund's overall country allocation neither benefitted nor detracted to performance. Relative gains from overweights in stronger performing Ireland, Italy and the U.S. balanced out an underweight allocation to Germany, which performed well. Good stock selection in Italy and Ireland made up for poor picks in the U.K.

During the fiscal year, the Fund utilized currency hedges to the U.S. dollar ranging from 5-40% of Fund assets. The Fund's hedges of the euro and pound were main contributors to Fund performance.

Positioning

The Fund remains overweight industrials and information technology, while underweight consumer staples, energy, financials, materials and telecommunications. We believe our overweight positions provide solid growth prospects, while our underweight allocations tend to have high relative valuations or slowing earnings momentum. In the industrial sector, we have invested in companies we believe will benefit from the ongoing recovery in Europe and continued growth in the U.S. In information technology, we believe automation as well as online and mobile payment

systems and security offer the prospect of long-term growth. We are maintaining our underweight position in financials as we believe there are challenges facing European financials due to increased regulation and extremely low interest rates.

From a country allocation standpoint, we continue to be overweight French stocks, as we feel investor sentiment will improve as government reforms roll out in 2015 and 2016. We maintain a partial currency hedge in an effort to protect the Fund against a weaker euro relative to the U.S. dollar. In our view, relatively stronger U.S. growth will initiate the rise of interest rates in the U.S. earlier than abroad.

Outlook: opportunities exist — some progress, but issues remain

Economic and political issues continue to simmer in Europe, which could result in market fluctuations. However, we believe the European economy is on firmer footing and will likely see faster expansion over the next 24 months. We believe the decline of the euro will increase business profits, lower energy prices and benefit consumer balance sheets. As a result, we believe there will be a rise in confidence that will lead to an increase in capital expenditure by corporations and consumers. In our view, the European market has started to reflect this, and we are now getting to the “show me” phase of more reforms and higher corporate earnings.

We think global economic growth is steady and monetary policy is likely to remain aggressive for the foreseeable future, but to a lesser extent in the U.S. and the U.K. We think the U.S. Federal Reserve will begin to slowly raise interest rates by fall 2015, which will keep the markets on edge. We continue to follow policies stemming from Europe, including stimulation, reforms and regulation measures from foreign governments and the ECB. It is our belief that the May U.K. election likely will continue to create uncertainty until new government policies are stated. Furthermore, we believe China’s multi-year rebalancing to a more consumer-based economy as well as its anticorruption efforts need to be monitored. In our view, these changes will have lasting impacts throughout the global marketplace in shaping gross domestic product (GDP) growth, commodity prices and multinational profits based in Europe.

We will continue to target economic recovery sectors and stocks that we believe best capture this outlook. We are also targeting longer-term themes in technology, healthcare and industrials. We remain cautious on commodity sensitive areas until we see emerging markets reaccelerate. In our view, the strongest long-term GDP growth will still occur in emerging markets and the U.S. due to better demographics and a better business climate. In an effort to capture this, we will continue to invest in European multinationals with exposure to the U.S. and/or emerging markets. We remain focused on stocks that we consider higher quality or improving, which means they offer growth potential and are positioned well in their industries.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund’s shares will change, and you could lose money on your investment.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. The value of the Fund’s investments, as measured in U.S. dollars, may be unfavorably affected by changes in foreign currency exchange rates and exchange control regulations. Focusing on a single geographic region involves increased currency, political, regulatory and other risks. These and other risks are more fully described in the Fund’s prospectus.

The opinions expressed in this report are those of the Fund’s portfolio manager and are current only through the end of the period of the report as stated on the cover. The portfolio manager’s views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy European Opportunities Fund.

PORTFOLIO HIGHLIGHTS

Ivy European Opportunities Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.3%
Industrials	19.4%
Financials	18.1%
Health Care	13.1%
Consumer Discretionary	12.2%
Consumer Staples	11.5%
Information Technology	9.2%
Materials	5.4%
Energy	3.4%
Utilities	2.6%
Telecommunication Services	2.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.7%

Country Weightings

Europe	92.9%
United Kingdom	29.4%
France	18.2%
Switzerland	9.4%
Germany	7.3%
Italy	7.1%
Netherlands	6.3%
Ireland	5.0%
Other Europe	10.2%
North America	4.4%
United States	4.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.7%

Lipper Rankings

Category: Lipper European Region Funds	Rank	Percentile
1 Year	18/129	14
3 Year	66/102	65
5 Year	54/85	63
10 Year	59/71	82

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

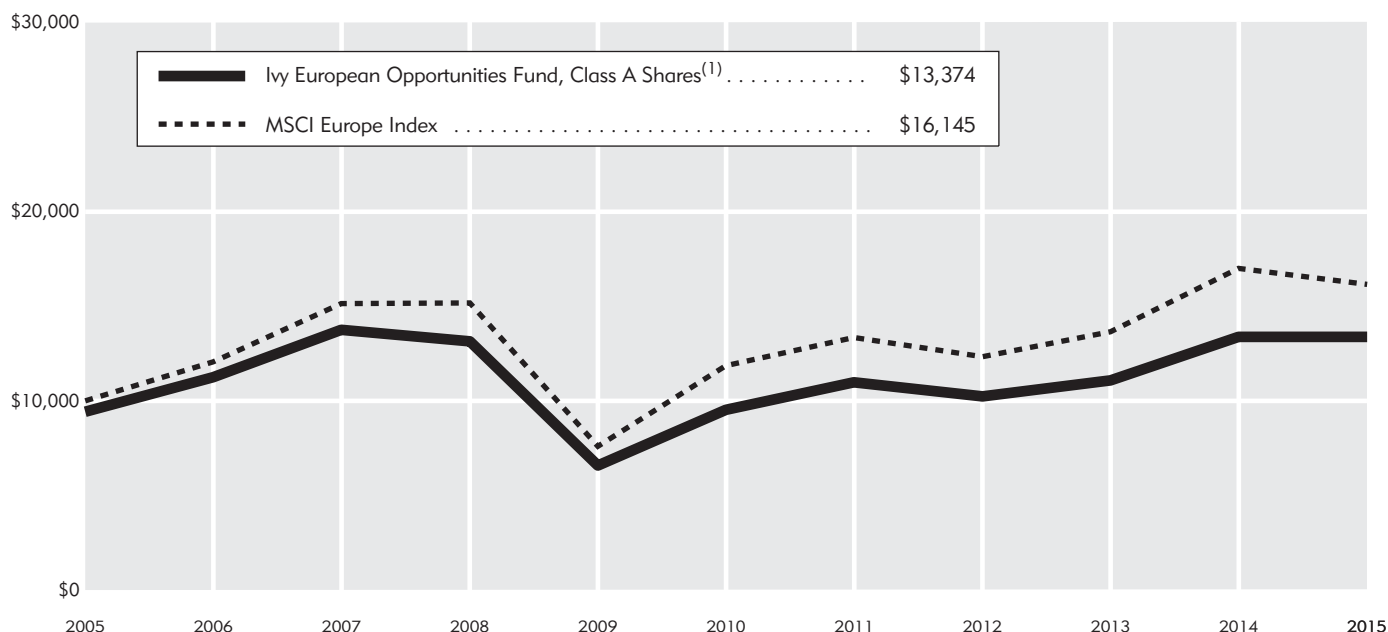
Company	Country	Sector	Industry
ING Groep N.V., Certicaaten Van Aandelen	Netherlands	Financials	Diversified Banks
ams AG	Austria	Information Technology	Semiconductors
Taylor Wimpey plc	United Kingdom	Consumer Discretionary	Homebuilding
Shire plc	United Kingdom	Health Care	Pharmaceuticals
Novartis AG, Registered Shares	Switzerland	Health Care	Pharmaceuticals
Prudential plc	United Kingdom	Financials	Life & Health Insurance
Ingenico S.A.	France	Information Technology	Electronic Equipment & Instruments
Axa S.A.	France	Financials	Multi-Line Insurance
Ashtead Group plc	United Kingdom	Industrials	Trading Companies & Distributors
Roche Holdings AG, Genusscheine	Switzerland	Health Care	Pharmaceuticals

See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT Ivy European Opportunities Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-5.89%	-5.21%	-0.75%	-5.48%	0.38%	-0.21%	—	0.15%
5-year period ended 3-31-15	5.75%	5.71%	6.35%	6.27%	7.66%	—	—	7.39%
10-year period ended 3-31-15	2.95%	2.82%	2.90%	—	—	—	—	3.89%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	-0.64%	0.25%	9.59%	3.20%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy European Opportunities Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Austria		
Information Technology – 2.0%		
ams AG	82	\$ 3,935
Total Austria – 2.0%		\$ 3,935
Denmark		
Financials – 1.2%		
Danske Bank A.S.	87	2,306
Health Care – 1.1%		
Novo Nordisk A/S, Class B	41	2,183
Total Denmark – 2.3%		\$ 4,489
France		
Consumer Discretionary – 0.9%		
Peugeot S.A.	53	884
Renault S.A.	10	893
		1,777
Consumer Staples – 1.5%		
Pernod Ricard	24	2,878
Financials – 4.8%		
Axa S.A.	143	3,596
Credit Agricole Group	179	2,628
Societe Generale S.A.	62	2,993
		9,217
Industrials – 6.4%		
Compagnie de Saint-Gobain	43	1,900
Rexel S.A.	122	2,304
Safran	47	3,313
Schneider Electric S.A.	30	2,295
Thales	46	2,551
		12,363
Information Technology – 3.2%		
Cap Gemini S.A.	28	2,283
Ingenico S.A.	34	3,761
		6,044
Telecommunication Services – 1.4%		
France Telecom	168	2,696
Total France – 18.2%		\$34,975
Germany		
Consumer Discretionary – 1.2%		
HUGO BOSS AG	18	2,244
Health Care – 2.9%		
Bayer AG	18	2,709
Fresenius Medical Care AG & Co. KGaA	35	2,898
		5,607
Industrials – 1.0%		
GEA Group Aktiengesellschaft, Bochum	39	1,893

COMMON STOCKS (Continued)	Shares	Value
Information Technology – 2.2%		
Infineon Technologies AG	160	\$ 1,918
United Internet AG	53	2,408
		4,326
Total Germany – 7.3%		\$14,070
Ireland		
Consumer Staples – 2.6%		
Glanbia plc	168	3,115
Kerry Group plc, Class A	28	1,886
		5,001
Materials – 2.4%		
CRH plc	72	1,868
Smurfit Kappa Group plc	99	2,790
		4,658
Total Ireland – 5.0%		\$ 9,659
Italy		
Consumer Discretionary – 1.0%		
Mediaset S.p.A.	206	941
Salvatore Ferragamo S.p.A.	30	971
		1,912
Financials – 3.3%		
Banca Intesa S.p.A.	840	2,858
Banca Popolare di Milano		
Scarl	1,019	1,036
Mediolanum S.p.A.	304	2,458
		6,352
Industrials – 2.8%		
Atlantia S.p.A.	108	2,851
Prysmian S.p.A.	120	2,474
		5,325
Total Italy – 7.1%		\$13,589
Netherlands		
Consumer Discretionary – 1.0%		
Reed Elsevier N.V.	76	1,903
Consumer Staples – 0.9%		
Heineken N.V.	24	1,802
Financials – 3.3%		
AEGON N.V.	299	2,361
ING Groep N.V., Certicaaten		
Van Aandelen (A)	274	4,020
		6,381
Materials – 1.1%		
Akzo Nobel N.V.	28	2,135
Total Netherlands – 6.3%		\$12,221

COMMON STOCKS (Continued)	Shares	Value
Norway		
Consumer Staples – 1.7%		
Marine Harvest ASA	275	\$ 3,155
Energy – 1.1%		
DNO International ASA (A)	1,672	2,190
Total Norway – 2.8%		\$ 5,345
Spain		
Industrials – 1.0%		
ACS Actividades de Construcción y Servicios S.A.	52	1,859
Utilities – 1.2%		
Iberdrola S.A. (A)	362	2,338
Total Spain – 2.2%		\$ 4,197
Sweden		
Information Technology – 0.9%		
Telefonaktiebolaget LM Ericsson, B Shares	145	1,819
Total Sweden – 0.9%		\$ 1,819
Switzerland		
Consumer Staples – 0.9%		
Nestle S.A., Registered Shares	24	1,798
Financials – 2.6%		
Credit Suisse Group AG, Registered Shares	91	2,459
UBS Group AG (A)	131	2,468
		4,927
Health Care – 3.7%		
Novartis AG, Registered Shares	38	3,799
Roche Holdings AG, Genusscheine	12	3,366
		7,165
Industrials – 2.2%		
Adecco S.A.	24	2,000
Wolseley plc	38	2,227
		4,227
Total Switzerland – 9.4%		\$18,117
United Kingdom		
Consumer Discretionary – 8.1%		
Compass Group plc	111	1,926
InterContinental Hotels Group plc	50	1,954
ITV plc	526	1,974
NEXT plc	20	2,063

SCHEDULE OF INVESTMENTS

Ivy European Opportunities Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Consumer Discretionary (Continued)		
Taylor Wimpey plc	1,712	\$ 3,933
Whitbread plc	23	1,811
WPP Group plc	90	2,037
		<u>15,698</u>
Consumer Staples – 2.9%		
Britvic plc	178	1,942
Imperial Tobacco Group plc	41	1,820
SABMiller plc	35	1,833
		<u>5,595</u>
Energy – 2.3%		
BP plc	331	2,145
Genel Energy plc (A)	323	2,257
		<u>4,402</u>
Financials – 2.9%		
Barclays plc	508	1,827
Prudential plc	152	3,773
		<u>5,600</u>
Health Care – 2.0%		
Shire plc	49	3,868
Industrials – 6.0%		
Ashtead Group plc	220	3,537
BAE Systems plc	362	2,813

COMMON STOCKS

(Continued)

	Shares	Value
Industrials (Continued)		
International Consolidated Airlines Group S.A. (A)	366	\$ 3,272
Travis Perkins plc	66	1,909
		<u>11,531</u>
Information Technology – 0.9%		
JUST EAT plc (A)	262	1,696
Materials – 1.9%		
Essentra plc	120	1,762
Rio Tinto plc	44	1,826
		<u>3,588</u>
Telecommunication Services – 1.0%		
BT Group plc	283	1,840
Utilities – 1.4%		
National Grid plc	212	2,723
Total United Kingdom – 29.4%		
		<u>\$56,541</u>
United States		
Consumer Staples – 1.0%		
InBev N.V.	16	1,921
Health Care – 3.4%		
Actavis plc (A)	8	2,381
Alexion Pharmaceuticals, Inc. (A)	11	1,820

COMMON STOCKS

(Continued)

	Shares	Value
Health Care (Continued)		
Incyte Corp. (A)	27	\$ 2,442
		<u>6,643</u>
Total United States – 4.4%		
		<u>\$ 8,564</u>
TOTAL COMMON STOCKS – 97.3%		
		<u>\$187,521</u>
(Cost: \$167,469)		
SHORT-TERM SECURITIES		
	Principal	
Master Note – 2.3%		
Toyota Motor Credit Corp.		
0.130%, 4-1-15 (B)	\$4,368	4,368
TOTAL SHORT-TERM SECURITIES – 2.3%		
		<u>\$ 4,368</u>
(Cost: \$4,368)		
TOTAL INVESTMENT SECURITIES – 99.6%		
		<u>\$191,889</u>
(Cost: \$171,837)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.4%		
		<u>691</u>
NET ASSETS – 100.0%		
		<u>\$192,580</u>

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	18,682	U.S. Dollar	28,158	4-13-15	State Street Global Markets	\$447	\$—
Euro	25,981	U.S. Dollar	27,966	4-13-15	State Street Global Markets	26	—
						<u>\$473</u>	<u>\$—</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$187,521	\$ —	\$—
Short-Term Securities	—	4,368	—
Total	<u>\$187,521</u>	<u>\$4,368</u>	<u>\$—</u>
Forward Foreign Currency Contracts	\$ —	\$ 473	\$—

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

SCHEDULE OF INVESTMENTS

Ivy European Opportunities Fund *(in thousands)*

MARCH 31, 2015

Market Sector Diversification

(as a % of net assets)

Industrials	19.4%
Financials	18.1%
Health Care	13.1%
Consumer Discretionary	12.2%
Consumer Staples	11.5%

Information Technology	9.2%
Materials	5.4%
Energy	3.4%
Utilities	2.6%
Telecommunication Services	2.4%
Other+	2.7%

+Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Mark G. Beischel

Below, Mark G. Beischel, CFA, portfolio manager of Ivy Global Bond Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Beischel has been a manager of the Fund since 2008 and has 21 years of industry experience.

Fiscal Year Performance

For the 12 months ended March 31, 2015

Ivy Global Bond Fund (Class A shares at net asset value)	-1.54%
Ivy Global Bond Fund (Class A shares with sales charge)	-7.17%
Benchmark(s) and/or Lipper Category	
Barclays Capital Multiverse Index (generally reflects the performance of the global bond market)	-3.76%
Lipper Global Income Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-0.04%

Please note that Fund returns include applicable investment fees and expenses, whereas the index returns do not include any such fees. The performance discussion below is at net asset value.

Performance

The Fund outperformed its benchmark, but underperformed its Lipper category average for the year ending March 31, 2015. The Fund's performance was enhanced by its high exposure to the U.S. dollar. The Fund had 93% of its assets in the U.S. dollar-denominated securities. The euro and yen had a negative 22% and a negative 14% return, respectively, as their central banks moved toward more aggressive non-conventional monetary policies. Asian and emerging market (EM) commodity currencies also underperformed the U.S. dollar as the markets priced in a slowing China.

The Fund's shorter duration relative to its Lipper peer group hurt its performance with U.S. long-duration assets outperforming shorter duration assets as the market priced in the normalization of domestic interest rates. Additionally, the Fund had no exposure to the European bond market, which witnessed 10-year sovereign yields dropping anywhere from 100 to 300 basis points. Finally, the Fund's overweight in corporate credit hurt the performance as credit spreads were wider over the past year. The deterioration in credit was primarily in the energy sector due to the collapse in oil prices.

Slower global recovery

The global recovery has experienced setbacks over the last two quarters. Although we believe the gradual recovery will continue, global growth in 2015 is now expected to be weaker and more uneven than earlier forecasts. The U.S. is emerging as the main driver for global growth. On the backdrop of a sharp rebound in growth during the third quarter, the outlook for the U.S. seems to be the most solid, even if it is falling short of the more bullish consensus expectations. In the September 2014 Federal Reserve (Fed) meeting, the Fed reinforced its thoughts on the importance of U.S. economic data on monetary policy decisions. Inflation has generally surprised on the downside, although wage growth is still generally subdued in the U.S. We believe market developments remain on track for the first Fed rate hike in September 2015.

The U.K. outperformed Europe with a 3% growth rate in 2014. We think that there is enough momentum to sustain this rate throughout 2015. After much speculation about the Bank of England raising rates in the first quarter of 2015, the market began discounting a rate hike. Regardless of when the hikes commence, officials have emphasized that the pace of normalization in the U.K. is likely to be gradual as well.

In the euro area, the European Central Bank (ECB) is struggling with weaker-than-expected growth and falling inflation expectations. The euro area's policy response is for the ECB to engage in a quantitative easing (QE) program of buying €1.1 trillion in governmental securities. This injection of liquidity should improve investor confidence. The market now expects the ECB to remain on hold for an extended period of time.

In Japan, the economy is still adjusting to the large increase in the value-added tax (VAT), which occurred in April 2014. It severely weakened consumption because wage growth has been too modest to keep up with the higher tax rate.

In China, the economy's potential growth rate is slowing significantly. The country has not been able to continue its rapid growth pace without an even faster increase in its debt. We believe that the increasing debt load is problematic for the Chinese banking system, and ultimately, government fiscal policy. We think it is likely that the new Chinese administration will be forced to deal with the growth in debt, and we believe this will slow real and potential growth in years ahead. With the policy emphasis shifting towards reform, higher tolerance for lower growth will be allowed in the short run. Officials now speak about a "new normal" of slower growth, but it appears they would like to hold growth close to 7%.

And finally, Russia's annexation of Crimea has put downward pressure on Russia's credit and currency. Moscow's action in the Eastern Ukraine has tarnished a lot of the goodwill that has been built up in the capital markets over the past 12 years. Many international investors are currently reevaluating the new risk premium that needs to be placed on this "invasive" country. It is also dealing with the sudden collapse in oil prices that are putting pressure on its internal and external accounts.

Seeking low volatility

Amid this volatility, we are currently maintaining a low duration in the Fund and have built what we believe to be plenty of liquidity. We believe shorter duration will enable the Fund to focus on higher yielding corporate bonds, while greater liquidity could allow us to be more responsive to changing market environments.

We continue to focus on maintaining what we believe to be proper diversification. The Fund has the opportunity to invest in different securities, sectors, countries and currencies. This flexibility allows us to seek less volatility with a reasonable yield that we believe will reward investors over the longer term.

Given the extreme volatility and uncertainty in global markets, the Fund's currency exposure remains overwhelmingly in the U.S. dollar. We believe there will be better opportunities to add foreign currency bonds to the portfolio going forward, especially in the emerging markets.

We continue to search for value in the corporate bond space. Some of the best returns have been, and we think will continue to be, from emerging market bonds. We believe that there will be more opportunities to redeploy liquidity due to the volatility associated with Washington's politics and the Fed's normalization of interest rates.

Looking ahead

Given our expectation of slow growth globally in calendar 2015, we expect interest rates to remain low overall. The Fed has indicated that it will keep its policy rate low until mid-to-late 2015. The short end of the Treasury yield curve (five years and in) is expected to be less volatile due to the Fed's commitment to low policy rates. However, longer term Treasury rates are expected to be more volatile and may be subject to market emotions regarding fiscal and monetary policies. The structural change in the financial markets has led us to build up more liquidity in the portfolio. Wall Street's incentives to carry high inventory levels of corporate bonds have been reduced by higher capital requirements. As a result, market liquidity has been reduced and we believe there are more opportunities for dislocations in corporate bonds going further.

The Eurozone's growth outlook has stagnated. Macroeconomic adjustments are still underway in the peripheral countries, and we believe that the debt overhang remains a major impediment to economic activities. The euro area is still dependent on the global economic environment and we think that it remains vulnerable to any external shock. Geopolitical risks remain elevated; in particular, the Russia-Ukraine conflict, which could affect the European economy through trade and confidence.

The Bank of Japan could continue its easing policy throughout 2015. We expect consumption to sustain modest growth from a general improvement in employment and incomes. Since the VAT hike has already been decided by law, it is believed that any signs of a weaker-than-expected economic performance will likely bring more fiscal stimulus. The market appears to be expecting Japan's Prime Minister Abe Shinzo to continue to pursue a cut to the corporate tax rate.

Growth in emerging market economies remains generally lackluster, albeit with large regional differences. Despite China's loss of momentum, the rest of emerging Asia is holding up well, while Latin America remains below trend and Europe, the Middle East and Africa suffer from a weaker Europe and geopolitics. The wild card likely will be the price of oil throughout the year. With a 50% decline from its peak, oil producers are just now starting to reduce capital expenditures to get an appropriate supply response. Brazil is confronting a major scandal with Petrobras that has left investors questioning its transparency and corporate governance.

The Fund's performance noted above is at net asset value (NAV), and does not include the effect of any applicable sales charges. If reflected, the sales charge would reduce the performance noted.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations.

Fixed income securities are subject to interest rate risk and, as such, the net asset value of the Fund may fall as interest rates rise. These and other risks are more fully described in the fund's prospectus.

Certain U.S. government securities in which the Fund may invest, such as Treasury securities and securities issued by the Government National Mortgage Association (GinnieMae), are backed by the full faith and credit of the U.S. government. However, other U.S. government securities in which the Fund may invest, such as securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks (FHLB), are not backed by the full faith and credit of the U.S. government, are not insured or guaranteed by the U.S. government and, instead, may be supported only by the right of the issuer to borrow from the U.S. Treasury or by the credit of the issuer.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Global Bond Fund.

PORTFOLIO HIGHLIGHTS

Ivy Global Bond Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	6.7%
Utilities	1.8%
Health Care	1.5%
Financials	1.4%
Energy	1.3%
Information Technology	0.7%
Bonds	91.4%
Corporate Debt Securities	58.6%
United States Government and Government Agency Obligations	26.1%
Other Government Securities	4.8%
Loans	1.9%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

Quality Weightings

Investment Grade	49.6%
AA	28.4%
A	1.0%
BBB	20.2%
Non-Investment Grade	41.8%
BB	24.7%
B	10.5%
CCC	4.1%
Non-rated	2.5%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Equities	8.6%

Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

Lipper Rankings

Category: Lipper Global Income Funds	Rank	Percentile
1 Year	124/213	58
3 Year	80/160	50
5 Year	76/120	63

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

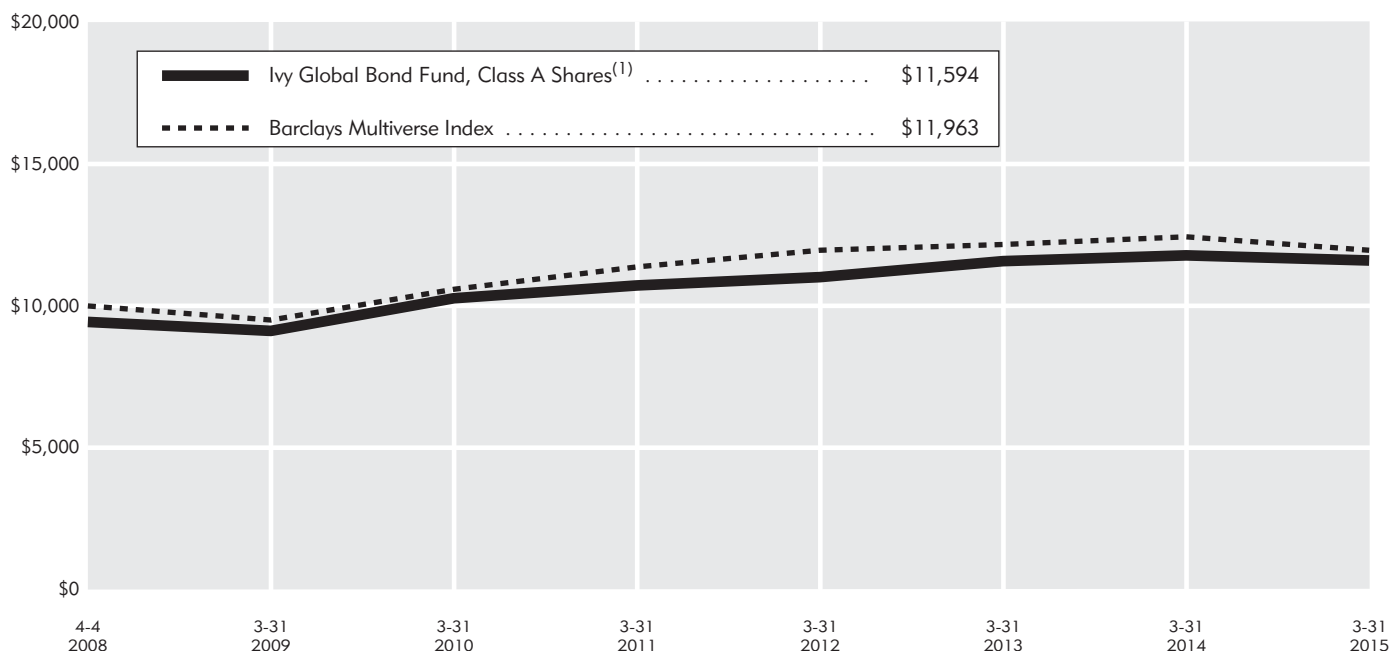
Country Weightings

North America	44.6%
United States	38.5%
Other North America	6.1%
Europe	22.8%
United Kingdom	5.7%
Luxembourg	4.4%
Russia	3.5%
Other Europe	9.2%
South America	20.9%
Brazil	9.6%
Other South America	11.3%
Pacific Basin	7.1%
Singapore	3.8%
Other Pacific Basin	3.3%
Bahamas/Caribbean	1.6%
Other	1.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Bond Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-7.17%	-6.17%	-2.26%	-1.29%	-2.10%	—	-1.63%
5-year period ended 3-31-15	1.23%	1.50%	1.69%	2.70%	—	—	2.44%
10-year period ended 3-31-15	—	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁵⁾	2.14%	2.23%	2.25%	3.27%	0.13%	-3.23%	3.01%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-4-08 for Class A shares, 4-4-08 for Class B shares, 4-4-08 for Class C shares, 4-4-08 for Class I shares, 12-19-12 for Class R shares, 7-31-14 for Class R6 shares and 4-4-08 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Global Bond Fund (in thousands)

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Brazil		
Utilities – 0.9%		
Alupar Investimento S.A.	199	\$ 1,184
Transmissora Alianca de Energia Eletrica S.A. ...	181	1,200
		<u>2,384</u>
Total Brazil – 0.9%		\$ 2,384

Chile		
Utilities – 0.2%		
Aguas Andinas S.A.	1,051	615
		<u>615</u>
Total Chile – 0.2%		\$ 615

Panama		
Financials – 1.4%		
Banco Latinoamericano de Comercio Exterior S.A.	115	3,766
		<u>3,766</u>
Total Panama – 1.4%		\$ 3,766

United Kingdom		
Energy – 1.3%		
Royal Dutch Shell plc, Class A	88	2,622
Seadrill Partners LLC	69	805
		<u>3,427</u>
Health Care – 0.6%		
GlaxoSmithKline plc	69	1,587
		<u>1,587</u>
Total United Kingdom – 1.9%		\$ 5,014

United States		
Health Care – 0.9%		
Bristol-Myers Squibb Co.	36	2,330
		<u>2,330</u>
Information Technology – 0.7%		
Intel Corp.	63	1,962
		<u>1,962</u>
Utilities – 0.7%		
PPL Corp.	57	1,934
		<u>1,934</u>
Total United States – 2.3%		\$ 6,226

TOTAL COMMON STOCKS – 6.7%		\$18,005
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(Cost: \$17,103)

CORPORATE DEBT SECURITIES	Principal	
Argentina		
Consumer Discretionary – 0.4%		
Arcos Dorados Holdings, Inc.	BRL 4,070	1,148
		<u>1,148</u>

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Energy – 1.1%		
Pan American Energy LLC:		
7.875%, 5–7–21	\$ 500	\$ 519
7.875%, 5–7–21 (B)	1,000	1,037
YPF Sociedad Anonima		
8.875%, 12–19–18 (B) ...	1,300	1,354
		<u>2,910</u>

Industrials – 0.5%		
Aeropuertos Argentina 2000 S.A.:		
10.750%, 12–1–20 (B) ...	1,121	1,176
10.750%, 12–1–20	81	84
		<u>1,260</u>

Materials – 0.2%		
IRSA Inversiones y Representaciones S.A.		
8.500%, 2–2–17	625	623
		<u>623</u>

Utilities – 0.2%		
Transportadora de Gas del Sur S.A.		
7.875%, 5–14–17	564	546
		<u>546</u>

Total Argentina – 2.4%		\$6,487
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Austria		
Consumer Staples – 0.7%		
JBS Investments GmbH (GTD by JBS S.A. and JBS Hungary Holdings Kft.)		
7.750%, 10–28–20 (B) ...	1,800	1,903
		<u>1,903</u>

Total Austria – 0.7%		\$1,903
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Brazil		
Consumer Discretionary – 1.7%		
Globo Comunicacao e Participacoes S.A.:		
6.250%, 7–29–49 (B)(C)	1,000	1,005
6.250%, 12–20–49 (C) ...	3,587	3,605
		<u>4,610</u>

Consumer Staples – 1.8%		
BFF International Ltd.		
7.250%, 1–28–20 (B)	2,000	2,252
Cosan Finance Ltd.		
7.000%, 2–1–17	128	136
JBS Finance II Ltd.		
8.250%, 1–29–18 (B)	2,400	2,480
		<u>4,868</u>

Energy – 0.6%		
Lancer Finance Co. (SPV) Ltd.		
5.850%, 12–12–16 (B) ...	407	409
QGOG Constellation S.A.		
6.250%, 11–9–19 (B)	2,250	1,282
		<u>1,691</u>

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Financials – 1.2%		
Banco BMG S.A.		
9.150%, 1–15–16	\$ 198	\$ 204
Banco Bradesco S.A.		
4.125%, 5–16–16 (B) ...	1,850	1,894
Banco Cruzeiro do Sul S.A.		
8.500%, 2–20–15 (B)(D) ..	1,500	255
Banco Santander Brasil S.A.		
4.500%, 4–6–15 (B)	750	750
		<u>3,103</u>

Industrials – 2.0%		
Embraer Overseas Ltd.		
6.375%, 1–24–17	2,675	2,812
Odebrecht Drilling Norbe VII/IX Ltd.		
6.350%, 6–30–21 (B) ...	2,401	2,071
TAM Capital 2, Inc.:		
9.500%, 1–29–20 (B) ...	425	443
9.500%, 1–29–20	100	104
		<u>5,430</u>

Materials – 0.9%		
Suzano Trading Ltd.		
5.875%, 1–23–21 (B) ...	2,300	2,323
		<u>2,323</u>

Total Brazil – 8.2%		\$22,025
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British Virgin Islands		
Energy – 0.6%		
QGOG Atlantic/Alaskan Rigs Ltd.:		
5.250%, 7–30–18 (B) ...	1,699	1,471
5.250%, 7–30–18	186	161
		<u>1,632</u>

Total British Virgin Islands – 0.6%		\$ 1,632
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Cayman Islands		
Consumer Staples – 0.3%		
Marfrig Overseas Ltd.		
9.500%, 5–4–20 (B)	1,000	945
		<u>945</u>

Industrials – 0.3%		
Odebrecht Offshore Drilling Finance		
6.750%, 10–1–22 (B) ...	930	723
		<u>723</u>

Telecommunication Services – 0.4%		
Hutchison Whampoa Ltd.		
1.625%, 10–31–17 (B)	1,000	996
		<u>996</u>

Total Cayman Islands – 1.0%		\$ 2,664
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Chile		
Industrials – 0.6%		
Guanay Finance Ltd.		
6.000%, 12–15–20 (B)	1,500	1,571
		<u>1,571</u>

SCHEDULE OF INVESTMENTS

Ivy Global Bond Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Materials – 1.1%		
Inversiones CMPC S.A. (GTD by Empresas CMPC S.A.):		
4.750%, 1-19-18 (B) .. \$	1,925	\$2,020
4.375%, 5-15-23 (B) ..	1,000	1,019
		<u>3,039</u>
Total Chile – 1.7%		\$4,610
China		
Utilities – 0.9%		
China Resources Power Holdings Co. Ltd.		
3.750%, 8-3-15 ...	2,500	2,517
		<u>2,517</u>
Total China – 0.9%		\$2,517
Columbia		
Energy – 1.6%		
Empresas Publicas de Medellin E.S.P.		
8.375%, 2-1-21 (A) ... COP	6,300,000	2,564
Pacific Rubiales Energy Corp.:		
5.375%, 1-26-19 (B) .. \$	2,000	1,320
7.250%, 12-12-21 (B) ..	650	432
		<u>4,316</u>
Financials – 0.6%		
Banco de Bogota S.A.		
5.000%, 1-15-17 (B) ..	1,600	1,660
		<u>1,660</u>
Utilities – 1.1%		
Emgesa S.A. E.S.P.		
8.750%, 1-25-21 (A) .. COP	6,930,000	2,882
		<u>2,882</u>
Total Columbia – 3.3%		\$8,858
France		
Financials – 1.0%		
BNP Paribas S.A.		
5.186%, 6-29-49 (B) .. \$	1,200	1,206
Societe Generale S.A.		
5.922%, 4-29-49 (B) ..	1,350	1,409
		<u>2,615</u>
Total France – 1.0%		\$2,615
Germany		
Consumer Discretionary – 0.3%		
Schaeffler Finance B.V.		
7.750%, 2-15-17 (B) ..	750	840
		<u>840</u>
Industrials – 0.5%		
Rearden G Holdings EINS GmbH		
7.875%, 3-30-20 (B) ..	1,600	1,408
		<u>1,408</u>
Total Germany – 0.8%		\$2,248

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
India		
Financials – 0.5%		
ICICI Bank Ltd.		
4.750%, 11-25-16 (B) \$	1,250	\$1,306
		<u>1,306</u>
Utilities – 0.7%		
Rural Electrification Corp. Ltd.		
4.250%, 1-25-16	1,675	1,705
Tata Electric Co.		
8.500%, 8-19-17	250	273
		<u>1,978</u>
Total India – 1.2%		\$3,284
Indonesia		
Telecommunication Services – 0.7%		
Indosat Palapa Co. B.V.		
7.375%, 7-29-20 (B)	1,750	1,829
		<u>1,829</u>
Utilities – 0.5%		
Majapahit Holding B.V.		
7.750%, 10-17-16 ...	1,200	1,299
		<u>1,299</u>
Total Indonesia – 1.2%		\$3,128
Ireland		
Energy – 0.3%		
Novatek Finance Ltd.		
7.750%, 2-21-17 (A)(B) RUB	55,000	846
		<u>846</u>
Financials – 0.4%		
MTS International Funding Ltd.		
5.000%, 5-30-23 (B) \$	750	632
VEB Finance Ltd.		
5.375%, 2-13-17 (B)	600	581
		<u>1,213</u>
Telecommunication Services – 0.2%		
Mobile TeleSystems OJSC		
5.000%, 5-30-23	700	590
		<u>590</u>
Utilities – 0.6%		
RusHydro Finance Ltd.		
7.875%, 10-28-15 (A) RUB	90,000	1,490
		<u>1,490</u>
Total Ireland – 1.5%		\$4,139
Luxembourg		
Energy – 0.3%		
Offshore Drilling Holding S.A.		
8.375%, 9-20-20 (B)(C) \$	1,100	881
		<u>881</u>
Financials – 2.0%		
OJSC Russian Agricultural Bank		
5.100%, 7-25-18 (B)	2,950	2,709
SB Capital S.A.		
5.499%, 7-7-15	550	551
		<u>551</u>

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Financials (Continued)		
VTB Capital S.A.		
6.000%, 4-12-17 (B)	\$2,335	\$ 2,266
		<u>5,526</u>
Industrials – 0.1%		
Silver II Borrower SCA and Silver II U.S. Holdings		
7.750%, 12-15-20 (B)	250	223
		<u>223</u>
Information Technology – 1.4%		
BC Luxco 1 S.A.		
7.375%, 1-29-20 (B)	3,700	3,654
		<u>3,654</u>
Materials – 0.4%		
Evrast Group S.A.		
7.400%, 4-24-17	1,200	1,185
		<u>1,185</u>
Total Luxembourg – 4.2%		\$11,469
Mexico		
Consumer Discretionary – 0.6%		
Controladora Mabe S.A. de C.V.		
6.500%, 12-15-15	150	154
Tenedora Nemark S.A. de C.V.		
5.500%, 2-28-23 (B)	1,500	1,545
		<u>1,699</u>
Materials – 2.1%		
C5 Capital (SPV) Ltd.		
4.552%, 12-29-49 (B)(C)	1,600	1,376
CEMEX S.A.B. de C.V.:		
6.500%, 12-10-19 (B)	2,800	2,975
7.250%, 1-15-21 (B) ...	1,200	1,281
		<u>5,632</u>
Total Mexico – 2.7%		\$ 7,331
Netherlands		
Consumer Discretionary – 0.7%		
VTR Finance B.V.		
6.875%, 1-15-24 (B) ...	1,680	1,743
		<u>1,743</u>
Consumer Staples – 0.5%		
Marfrig Holdings (Europe) B.V.:		
8.375%, 5-9-18 (B)	1,000	945
6.875%, 6-24-19 (B) ...	500	425
		<u>1,370</u>
Energy – 0.5%		
Petrobras Global Finance (GTD by Petroleo Brasileiro S.A.)		
4.875%, 3-17-20	\$1,375	\$ 1,235
		<u>1,235</u>

SCHEDULE OF INVESTMENTS

Ivy Global Bond Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Materials – 0.4%		
Cimpor Financial		
Operations B.V. (GTD by InterCement Participacoes S.A. and InterCement Brasil S.A.)		
5.750%, 7–17–24 (B) . .	1,400	1,158
Telecommunication Services – 0.1%		
VimpleCom Holdings B.V.		
9.000%, 2–13–18 (A)(B) . . .	RUB25,000	380
Utilities – 1.0%		
Listrindo Capital B.V.		
6.950%, 2–21–19 (B) . . \$	2,550	2,690
Total Netherlands – 3.2%		\$8,576
Norway		
Consumer Discretionary – 0.5%		
World Wide Supply A.S.		
7.750%, 5–26–17 (B) . .	1,600	1,328
Consumer Staples – 1.3%		
Corporacion Pesquera Inca S.A.C.:		
9.000%, 2–10–17 (B) . .	1,575	1,563
9.000%, 2–10–17	2,022	2,007
		3,570
Total Norway – 1.8%		\$4,898
Panama		
Financials – 2.0%		
Banco Latinoamericano de Comercio Exterior S.A.		
3.750%, 4–4–17 (B) . . .	5,200	5,343
Total Panama – 2.0%		\$5,343
Peru		
Financials – 0.5%		
InRetail Shopping Malls		
5.250%, 10–10–21 (B) . . .	1,300	1,326
Total Peru – 0.5%		\$1,326
Qatar		
Energy – 0.1%		
Ras Laffan Liquefied Natural Gas Co. Ltd.		
5.832%, 9–30–16	301	312
Total Qatar – 0.1%		\$ 312

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Russia		
Energy – 0.8%		
Novatek Finance Ltd.		
5.326%, 2–3–16 (B)	\$2,200	\$ 2,210
Industrials – 0.7%		
SCF Capital Ltd.:		
5.375%, 10–27–17 (B) . .	1,000	894
5.375%, 10–27–17	1,150	1,028
		1,922
Materials – 0.9%		
Steel Capital S.A.		
6.250%, 7–26–16 (B) . . .	1,500	1,532
Uralkali Finance Ltd.		
3.723%, 4–30–18 (B) . . .	1,100	990
		2,522
Telecommunication Services – 0.7%		
Vimpel-Communications		
6.493%, 2–2–16 (B)	1,775	1,811
Total Russia – 3.1%		\$ 8,465
Singapore		
Consumer Staples – 1.8%		
Olam International Ltd.:		
5.750%, 9–20–17	1,150	1,219
7.500%, 8–12–20	2,500	2,806
Olam International Ltd., Convertible		
6.000%, 10–15–16	700	730
		4,755
Energy – 1.4%		
Noble Group Ltd.		
4.875%, 8–5–15	1,400	1,397
Oro Negro Drilling Pte. Ltd.		
7.500%, 1–24–19 (B) . . .	3,425	2,466
		3,863
Telecommunication Services – 0.6%		
TBG Global Pte. Ltd.		
4.625%, 4–3–18 (B)	1,500	1,545
Total Singapore – 3.8%		\$10,163
United Arab Emirates		
Financials – 0.7%		
ICICI Bank Ltd.:		
4.800%, 5–22–19 (B) . . .	500	536
3.500%, 3–18–20 (B) . . .	1,400	1,440
		1,976
Total United Arab Emirates – 0.7%		\$ 1,976
United Kingdom		
Financials – 3.3%		
Barclays plc		
8.250%, 12–29–49	1,500	1,607

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Financials (Continued)		
HSBC Holdings plc		
5.625%, 12–29–49	\$1,200	\$ 1,219
State Bank of India:		
4.125%, 8–1–17 (B)	1,200	1,256
3.250%, 4–18–18 (B) . . .	3,750	3,837
3.622%, 4–17–19 (B) . . .	1,000	1,038
		8,957
Materials – 0.5%		
Vedanta Resources plc		
6.000%, 1–31–19 (B) . . .	1,550	1,381
Total United Kingdom – 3.8%		\$10,338
United States		
Consumer Discretionary – 0.6%		
B-Corp Merger Sub, Inc.		
8.250%, 6–1–19	725	629
Globo Comunicacoes e Participacoes S.A.		
5.307%, 5–11–22 (B)(C)	850	881
		1,510
Energy – 0.8%		
Brand Energy & Infrastructure Services		
8.500%, 12–1–21 (B) . . .	1,300	1,218
Schahin II Finance Co. (SPV) Ltd.		
5.875%, 9–25–22 (B) . . .	1,763	1,066
		2,284
Financials – 2.3%		
Aircastle Ltd.		
4.625%, 12–15–18	1,350	1,404
Citigroup, Inc.		
8.400%, 4–29–49	1,250	1,424
General Motors Financial Co., Inc.		
3.000%, 9–25–17	1,300	1,324
UBS Preferred Funding Trust V		
6.243%, 5–29–49	2,000	2,083
		6,235
Industrials – 0.8%		
Roofing Supply Group LLC and Roofing Supply Finance, Inc.		
10.000%, 6–1–20 (B)	500	489
TransDigm, Inc.		
6.000%, 7–15–22	1,607	1,605
		2,094
Information Technology – 1.6%		
Alliance Data Systems Corp.		
5.250%, 12–1–17 (B)	350	362
iGATE Corp.		
4.750%, 4–15–19	3,880	3,904
		4,266

SCHEDULE OF INVESTMENTS

Ivy Global Bond Fund (in thousands)

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Materials – 0.2%		
Hillman Group, Inc. (The)		
6.375%, 7–15–22 (B) .. \$	418	\$ 418
Southern Copper Corp.		
6.375%, 7–27–15	275	279
		<u>697</u>
Telecommunication Services – 1.9%		
American Tower Corp.		
3.400%, 2–15–19	1,400	1,446
T-Mobile USA, Inc.		
6.000%, 3–1–23 ...	2,977	3,050
Verizon Communications, Inc.		
2.625%, 2–21–20	697	710
		<u>5,206</u>
Total United States – 8.2%		\$ 22,292
TOTAL CORPORATE DEBT SECURITIES – 58.6%		\$158,599

(Cost: \$170,417)

OTHER GOVERNMENT SECURITIES (E)

Argentina – 0.9%		
City of Buenos Aires		
12.500%, 4–6–15	1,000	1,000
Province of Buenos Aires (The)		
11.750%, 10–5–15	1,500	1,478
		<u>2,478</u>
Brazil – 0.5%		
OI S.A.		
9.750%, 9–15–16 (A) ... BRL	4,800	1,346
Ireland – 0.1%		
Russian Railways via RZD Capital Ltd.		
8.300%, 4–2–19 (A) RUB	19,000	270
Luxembourg – 0.2%		
BC Luxco 1 S.A.		
7.375%, 1–29–20 \$	550	543
Netherlands – 0.1%		
Indosat Palapa Co. B.V.		
7.375%, 7–29–20	250	261
Russia – 0.4%		
Russian Federation		
3.500%, 1–16–19 (B) ...	1,200	1,152

OTHER GOVERNMENT SECURITIES (E)

(Continued)	Principal	Value
Supranational – 0.3%		
Central American Bank for Economic Integration		
3.875%, 2–9–17 (B)	\$ 800	\$ 822
Venezuela – 2.3%		
Corporacion Andina de Fomento:		
3.750%, 1–15–16	3,625	3,715
1.500%, 8–8–17	2,500	2,509
		<u>6,224</u>
TOTAL OTHER GOVERNMENT SECURITIES – 4.8%		\$13,096

(Cost: \$14,453)

LOANS (C)

United States		
Energy – 0.3%		
Empresas ICA S.A.		
7.144%, 7–1–17	1,000	950
Industrials – 1.1%		
TransDigm, Inc.		
3.750%, 2–28–20	2,977	2,970
Materials – 0.5%		
BakerCorp International		
4.250%, 2–7–20	895	849
EP Minerals LLC		
5.500%, 8–20–20	377	377
		<u>1,226</u>
Total United States – 1.9%		\$ 5,146

TOTAL LOANS – 1.9%		\$ 5,146
(Cost: \$5,210)		

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

United States – 0.1%		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO:		
4.000%, 7–15–23 (F) ...	486	10
4.000%, 2–15–24 (F) ...	167	6
4.000%, 4–15–24 (F) ...	231	20
5.500%, 1–15–38 (F) ...	460	71
Federal National Mortgage Association Fixed Rate Pass-Through Certificates		
5.000%, 3–1–22	63	68
Government National Mortgage Association Agency REMIC/CMO		
4.500%, 11–20–36 (F) ...	399	11
		<u>186</u>

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

(Continued)	Principal	Value
TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 0.1%		\$ 186

(Cost: \$1,849)

UNITED STATES GOVERNMENT OBLIGATIONS

United States – 26.0%		
U.S. Treasury Notes:		
1.750%, 7–31–15	\$ 9,980	10,035
0.375%, 5–31–16	15,000	15,004
0.875%, 2–28–17	27,000	27,167
2.375%, 7–31–17	1,980	2,058
3.500%, 5–15–20 (G) ..	1,980	2,184
2.625%, 11–15–20	4,500	4,768
2.125%, 8–15–21	3,500	3,602
1.750%, 5–15–22	5,475	5,489
		<u>70,307</u>

TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 26.0%		\$ 70,307
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(Cost: \$69,565)

SHORT-TERM SECURITIES

Master Note – 1.0%		
Toyota Motor Credit Corp.		
0.130%, 4–1–15 (H) ...	2,758	2,758

TOTAL SHORT-TERM SECURITIES – 1.0%		\$ 2,758
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(Cost: \$2,758)

TOTAL INVESTMENT SECURITIES – 99.1%		\$268,097
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(Cost: \$281,355)

CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.9%		2,540
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NET ASSETS – 100.0%		\$270,637
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SCHEDULE OF INVESTMENTS

Ivy Global Bond Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A) Principal amounts are denominated in the indicated foreign currency, where applicable (BRL - Brazilian Real, COP - Colombian Peso and RUB - Russian Ruble).

(B) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$104,003 or 38.4% of net assets.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015.

(D) Non-income producing as the issuer has either missed its most recent interest payment or declared bankruptcy.

(E) Other Government Securities include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(F) Interest-only security. Amount shown as principal represents notional amount for computation of interest.

(G) All or a portion of securities with an aggregate value of \$154 have been pledged as collateral on open futures contracts.

(H) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	2,769	U.S. Dollar	4,173	4-13-15	Barclays Capital, Inc.	\$65	\$—

The following futures contracts were outstanding at March 31, 2015 (contracts unrounded):

Description	Type	Expiration Date	Number of Contracts	Value	Unrealized Appreciation
U.S. 10-Year Treasury Note	Long	6-30-15	33	\$4,254	\$ 52
U.S. Treasury Long Bond	Long	6-30-15	26	4,261	114
				<u>\$8,515</u>	<u>\$166</u>

SCHEDULE OF INVESTMENTS

Ivy Global Bond Fund *(in thousands)*

MARCH 31, 2015

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$18,005	\$ —	\$ —
Corporate Debt Securities	—	158,599	—
Other Government Securities	—	13,096	—
Loans	—	2,970	2,176
United States Government Agency Obligations	—	186	—
United States Government Obligations	—	70,307	—
Short-Term Securities	—	2,758	—
Total	\$18,005	\$247,916	\$2,176
Forward Foreign Currency Contracts	\$ —	\$ 65	\$ —
Futures Contracts	\$ 166	\$ —	\$ —

During the period ended March 31, 2015, there were no transfers between any levels.

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation

GTD = Guaranteed

REMIC = Real Estate Mortgage Investment Conduit

Market Sector Diversification		
(as a % of net assets)		
United States Government and Government Agency Obligations	26.1%	Industrials 6.6%
Financials	15.9%	Consumer Staples 6.4%
Energy	9.7%	Consumer Discretionary 4.8%
Materials	7.2%	Other Government Securities 4.8%
Utilities	6.8%	Telecommunication Services 4.6%
		Information Technology 3.7%
		Health Care 1.5%
		Other+ 1.9%

+Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Robert Nightingale

Below, Robert E. Nightingale, portfolio manager of the Ivy Global Equity Income Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Nightingale has managed the Fund since its inception in June 2012, and he has 19 years of industry experience. In August of 2014, John Maxwell, an additional portfolio manager for the Fund, relinquished his portfolio management responsibilities.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Global Equity Income Fund (Class A shares at net asset value)	5.84%
Ivy Global Equity Income Fund (Class A shares including sales load)	-0.25%
Benchmark(s) and/or Lipper Category	
MSCI World High Dividend Yield Index	0.16%
(generally reflects the performance of equities (excluding REITs) with higher-than-average dividend yields that are both sustainable and persistent)	
Lipper Global Equity Income Funds Universe Average	1.68%
(generally reflects the performance of the universe of funds with similar investment objectives)	

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Developed markets posted solid performance in local currency

Western developed markets performed well in local currency over the fiscal year ending March 31, 2015. That said, the Fund's benchmark, the MSCI World High Dividend Yield Index, was relatively flat (in U.S. dollars) for the year. The Fund posted solid performance for the period, outperforming the benchmark by more than 5%. Despite gains, international markets remained volatile, but less so than in previous years. Currently, monetary policy has remained very loose around the world, which has provided incentive for investors to seek returns in higher yielding bonds and stocks.

During the second quarter of 2014, international markets were driven higher by conviction in a U.S. recovery and sustained growth. Additionally, the belief that the European Central Bank (ECB) would do "whatever it takes" to stimulate the economy aided performance. The ECB implemented aggressive policies, taking rates negative and introducing the targeted longer-term refinancing operation (TLTRO) in an effort to inject additional credit into Europe. Market volatility increased due to poor economic numbers out of Europe, U.S. Federal Reserve (Fed) policy, Russian/Ukraine intervention and a Chinese slowdown. During this time, the U.S. and Japan outperformed Europe and the rest of Asia. By calendar year-end, the result was a generally flat market. Shortly after the start of 2015, international markets reacted positively as the ECB announced additional easing efforts — unveiling details of a trillion-euro bond purchases program — that began in March. This, along with signs of better economic data (confidence), drove international markets higher to finish the fiscal year.

Additionally, less noise from Russia, rate cuts in China and the Fed confirming a slow path of rate hikes aided global markets. Investors also took notice of more economic, financial and legal reforms in Italy and France in an effort to more competitively position those countries. Investors returned to Europe and Japan hoping to play the long-awaited recoveries in those areas and benefit from better corporate profits.

The sharp fall in oil prices due to a stronger dollar and oversupply adversely impacted energy stocks, but we believe this will aid consumer-based economies/countries if the price stays at a relatively low level for an extended period.

Portfolio strategy — hits and misses

The Fund outperformed its benchmark for the fiscal year ending March 31, 2015. Strong stock selection and currency hedges drove outperformance. In particular, security selection in materials, industrials, financials and consumer staples were key contributors to performance and offset poor stock selection in energy. Additionally, the Fund's overweight allocations to Europe and Japan positively contributed to relative performance. In our view, U.S. dividend stocks remained relatively more expensive to comparable international stocks over the course of the year. As such, we purchased European stocks we believed possessed cheaper valuations, higher dividend yields and could benefit from a recovery/economic growth in the region. Top individual contributors to performance included Marine Harvest ASA, a Norwegian-based salmon fish farmer; CRH plc, an Irish-based road and commercial building construction supplier; Bpost, a Belgian post office; and Amcor Ltd., a global leader in plastic packaging.

During the year, the Fund utilized currency hedges to the U.S. dollar ranging from 5-40% of Fund assets. The Fund's hedges of the euro, pound, yen and Australian dollar were main contributors to performance. Despite the relatively high currency hedges, currency effects from the stronger dollar hurt absolute performance as not all exposures were hedged back to the U.S. dollar.

Positioning

As the last quarter in the fiscal year progressed, we positioned the Fund with a more defensive tilt. This was in response to weaker U.S. macroeconomic forecasts and the large international rally that resulted in a tough environment to find stocks with higher dividend yields and fundamental upside. Additionally, we raised the Fund's cash allocation to 3% after maintaining cash at approximately 1% for the majority of the fiscal

year. During the year, we lowered the Fund's energy, financial, healthcare and utility allocations and raised our exposure to industrials, consumer staples and information technology. The Fund's largest sector overweights include industrials and consumer discretionary, where we continue to find companies we believe provide good dividend yield and growth prospects. Energy, healthcare, consumer staples and materials are our largest underweights due to perceived high relative valuations or low/risky dividend yields. The Fund's average dividend yield is around 3.8%, which is in line with its benchmark.

As a result of the Fund's combined top-down and bottom-up investment approach, we are slightly overweight cyclical versus stable sectors. As calendar year 2015 progresses, we have intentions to add to holdings we believe will grow their dividend faster. We have added to our overweight position in Europe, while reducing our U.S. exposure. In Europe, we expect economic recovery and steady dividend increases with earnings. In Europe, we increased our allocation to the Netherlands and Spain, while maintaining our overweight allocation in France in an effort to capitalize on the economic recovery. For example, we added to firms with southern European toll-road exposure. In Asia, we added to our overweight in Japan in an effort to capture dividend increases spurred by governmental reforms, while also targeting exporters from the region that should benefit due to the weak yen. We ended the fiscal year with an approximate 1% allocation to emerging markets, though a small portion of our developed market exposure is tied indirectly to emerging-market economies.

Outlook — Opportunities exist, but issues remain

We think global economic growth is steady and monetary policy is likely to remain aggressive for the foreseeable future, but to a lesser extent in the U.S. and the U.K. We think the Fed will begin to slowly raise interest rates by fall 2015, which will keep the markets on edge. We continue to follow policies stemming from Europe, including stimulation, reforms and regulation measures from foreign governments and the ECB. It is our belief that the May U.K. election likely will continue to create uncertainty until new government policies are stated. Furthermore, we believe China's multi-year rebalancing to a more consumer-based economy as well as its anticorruption efforts need to be monitored. In our view, these changes will have lasting impacts throughout the global marketplace in shaping gross domestic product (GDP) growth, commodity prices and multinational profits based in Europe.

Economic and political issues continue to simmer in Europe, which could result in market fluctuations. However, we believe the European economy is on firmer footing and will likely see faster expansion over the next 24 months. We believe the decline of the euro will increase business profits, lower energy prices and benefit consumer balance sheets. As a result, we believe there will be a rise in confidence that will lead to an increase in capital expenditure by corporations and consumers. In our view, the European market has started to reflect this, and we are now getting to the "show me" phase of more reforms and higher corporate earnings. We continue to look at U.S. dividend-paying companies, as firms in a slower growth world of lower interest rates may see value in an increased dividend.

We will continue to target economic recovery sectors and stocks that we believe best capture our economic outlook. We remain cautious on commodity sensitive areas until we see emerging markets reaccelerate. In our view, the strongest long-term GDP growth will still occur in emerging markets and the U.S. due to better demographics and a better business climate. In an effort to capture this, we will continue to invest in U.S. firms or European multinationals with exposure to the U.S. and/or emerging markets. We remain focused on stocks with solid dividend yields, and continue to look for companies that we consider to be of above-average quality and that are well positioned in their industries throughout the world.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. [The value of the Fund's investments, as measured in U.S. dollars, may be unfavorably affected by changes in foreign currency exchange rates and exchange control regulations. Focusing on a single geographic region involves increased currency, political, regulatory and other risks.] These risks are magnified in emerging markets.

Dividend-paying stocks may fall out of favor with investors and underperform non-dividend paying stocks and the market as a whole. In addition, dividend-paying companies may not pay dividends in the future; such dividends, if declared, may not remain at current levels or increase over time. The amount of any dividend the company may pay may fluctuate significantly. Dividend-paying stocks can decline in value when interest rates rise; this risk may be greater during the current period of historically low interest rates. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The portfolio managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Global Equity Income Fund.

PORTFOLIO HIGHLIGHTS

Ivy Global Equity Income Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	96.4%
Industrials	17.8%
Health Care	16.0%
Financials	12.6%
Consumer Discretionary	11.8%
Consumer Staples	11.4%
Utilities	7.5%
Telecommunication Services	5.8%
Materials	5.3%
Energy	4.5%
Information Technology	3.7%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	3.6%

Lipper Rankings

Category: Lipper Global Equity Income Funds	Rank	Percentile
1 Year	20/143	14

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Teva Pharmaceutical Industries Ltd. ADR	Israel	Health Care	Pharmaceuticals
Pfizer, Inc.	United States	Health Care	Pharmaceuticals
BAE Systems plc	United Kingdom	Industrials	Aerospace & Defense
Taylor Wimpey plc	United Kingdom	Consumer Discretionary	Homebuilding
Toyota Motor Corp.	Japan	Consumer Discretionary	Automobile Manufacturers
Marine Harvest ASA	Norway	Consumer Staples	Packaged Foods & Meats
Total S.A.	France	Energy	Integrated Oil & Gas
National Grid plc	United Kingdom	Utilities	Multi-Utilities
Novartis AG, Registered Shares	Switzerland	Health Care	Pharmaceuticals
Roche Holdings AG, Genusscheine	Switzerland	Health Care	Pharmaceuticals

See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

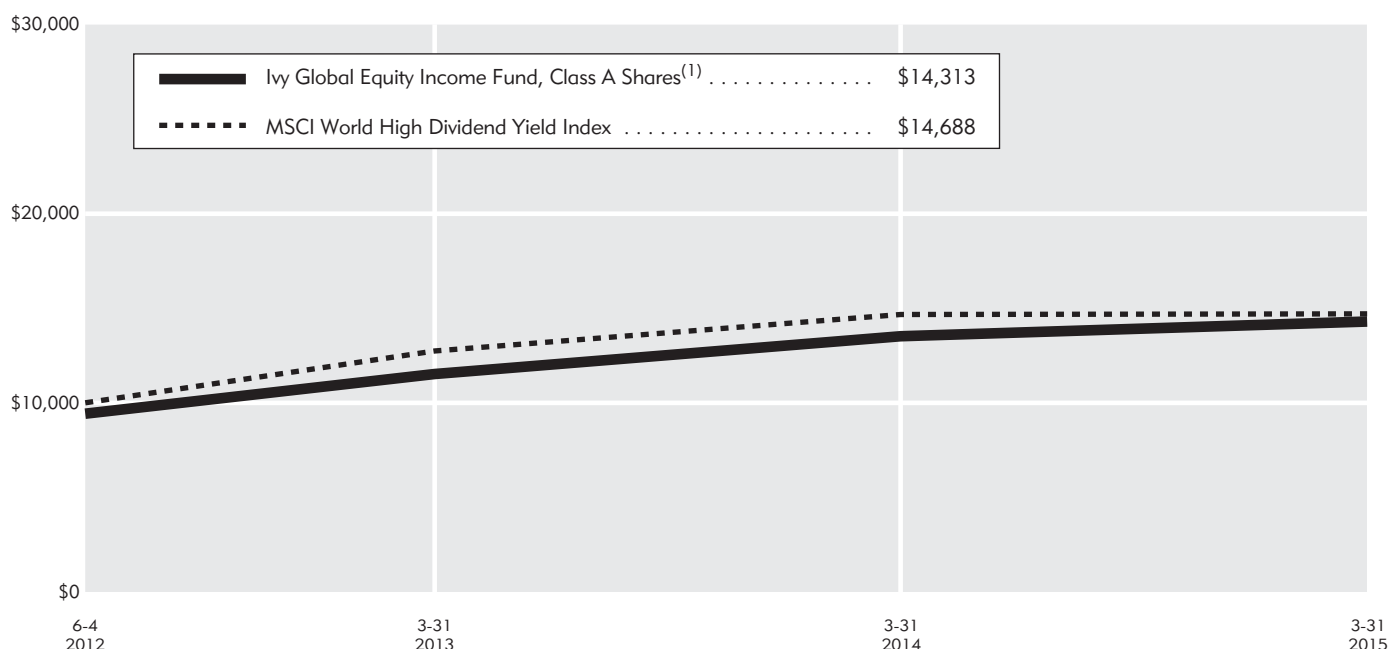
Country Weightings

Europe	56.7%
United Kingdom	15.9%
France	14.4%
Switzerland	6.8%
Netherlands	4.9%
Other Europe	14.7%
North America	23.5%
United States	22.1%
Other North America	1.4%
Pacific Basin	12.6%
Japan	5.9%
Australia	4.6%
Other Pacific Basin	2.1%
Other	3.6%
Israel	3.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	3.6%

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Equity Income Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-0.25%	1.08%	5.10%	6.22%	5.47%	—	5.88%
5-year period ended 3-31-15	—	—	—	—	—	—	—
10-year period ended 3-31-15	—	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁵⁾	13.55%	14.31%	15.19%	16.39%	12.11%	4.05%	16.08%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 6-4-12 for Class A shares, 6-4-12 for Class B shares, 6-4-12 for Class C shares, 6-4-12 for Class I shares, 12-19-12 for Class R shares, 7-31-14 for Class R6 shares and 6-4-12 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Global Equity Income Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Australia		
Financials – 0.6%		
Macquarie Group Ltd.	31	\$ 1,787
Industrials – 1.1%		
Spotless Group Holdings Ltd.	1,909	3,300
Materials – 1.9%		
Amcor Ltd.	274	2,932
Pact Group Holdings Ltd.	866	2,782
		5,714
Telecommunication Services – 1.0%		
Telstra Corp. Ltd. ADR	603	2,897
Total Australia – 4.6%		\$13,698
Belgium		
Industrials – 1.1%		
bpost S.A. de droit public / bpost N.V. van publiekrecht	113	3,160
Total Belgium – 1.1%		\$ 3,160
Canada		
Energy – 1.4%		
Crescent Point Energy Corp.	186	4,155
Total Canada – 1.4%		\$ 4,155
China		
Financials – 1.0%		
BOC Hong Kong (Holdings) Ltd., H Shares	5,243	3,030
Total China – 1.0%		\$ 3,030
Denmark		
Financials – 1.2%		
Danske Bank A.S.	139	3,660
Total Denmark – 1.2%		\$ 3,660
France		
Energy – 2.0%		
Total S.A.	118	5,849
Financials – 2.0%		
Axa S.A.	171	4,301
Societe Generale S.A.	33	1,583
		5,884
Health Care – 1.5%		
Sanofi-Aventis	45	4,401
Industrials – 6.1%		
Compagnie de Saint-Gobain	74	3,250
Rexel S.A.	192	3,619
Safran	56	3,947

COMMON STOCKS (Continued)	Shares	Value
Industrials (Continued)		
Schneider Electric S.A.	46	\$ 3,601
Vinci	63	3,592
		18,009
Telecommunication Services – 1.4%		
France Telecom	263	4,234
Utilities – 1.4%		
Gaz de France	217	4,297
Total France – 14.4%		\$42,674
Germany		
Consumer Discretionary – 1.1%		
ProSieben- Sat.1 Media AG	70	3,445
Health Care – 1.2%		
Bayer AG	23	3,473
Total Germany – 2.3%		\$ 6,918
Ireland		
Materials – 1.1%		
CRH plc	123	3,194
Total Ireland – 1.1%		\$ 3,194
Israel		
Health Care – 2.3%		
Teva Pharmaceutical Industries Ltd. ADR	107	6,677
Telecommunication Services – 1.3%		
Bezeq – Israel Telecommunication Corp. Ltd. (The)	2,080	3,878
Total Israel – 3.6%		\$10,555
Italy		
Financials – 1.0%		
Banca Intesa S.p.A.	888	3,022
Industrials – 1.6%		
Atlantia S.p.A.	174	4,566
Total Italy – 2.6%		\$ 7,588
Japan		
Consumer Discretionary – 3.2%		
Nissan Motor Co. Ltd.	332	3,392
Toyota Motor Corp.	86	6,025
		9,417
Consumer Staples – 1.1%		
Japan Tobacco, Inc.	103	3,264

COMMON STOCKS (Continued)	Shares	Value
Financials – 1.6%		
Aozora Bank Ltd.	456	\$ 1,619
Sumitomo Mitsui Financial Group, Inc.	79	3,031
		4,650
Total Japan – 5.9%		\$17,331
Netherlands		
Consumer Staples – 2.6%		
Koninklijke Ahold N.V.	226	4,461
Unilever N.V., Certicaaten Van Aandelen	72	3,022
		7,483
Financials – 1.2%		
ING Groep N.V., Certicaaten Van Aandelen (A)	240	3,524
Materials – 1.1%		
Akzo Nobel N.V.	44	3,324
Total Netherlands – 4.9%		\$14,331
Norway		
Consumer Staples – 2.0%		
Marine Harvest ASA	514	5,907
Total Norway – 2.0%		\$ 5,907
Singapore		
Consumer Discretionary – 1.1%		
Asian Pay Television Trust ...	5,124	3,323
Total Singapore – 1.1%		\$ 3,323
Spain		
Industrials – 1.1%		
ACS Actividades de Construccion y Servicios S.A.	89	3,148
Utilities – 1.2%		
Iberdrola S.A. (A)	569	3,672
Total Spain – 2.3%		\$ 6,820
Sweden		
Information Technology – 1.1%		
Telefonaktiebolaget LM Ericsson, B Shares	252	3,171
Telecommunication Services – 1.0%		
TeliaSonera AB	473	3,009
Total Sweden – 2.1%		\$ 6,180
Switzerland		
Consumer Staples – 1.0%		
Nestle S.A., Registered Shares	40	3,022

SCHEDULE OF INVESTMENTS

Ivy Global Equity Income Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS (Continued)

	Shares	Value
Health Care – 3.5%		
Novartis AG, Registered Shares	57	\$ 5,661
Roche Holdings AG, Genusscheine	17	4,769
		<u>10,430</u>
Industrials – 2.3%		
Adecco S.A.	42	3,481
Wolseley plc	53	3,114
		<u>6,595</u>
Total Switzerland – 6.8%		\$20,047
United Kingdom		
Consumer Discretionary – 5.3%		
InterContinental Hotels Group plc	80	3,125
NEXT plc	31	3,209
Taylor Wimpey plc	2,643	6,074
WPP Group plc	139	3,155
		<u>15,563</u>
Consumer Staples – 2.2%		
Britvic plc	311	3,387
Imperial Tobacco Group plc	71	3,113
		<u>6,500</u>
Energy – 1.1%		
Royal Dutch Shell plc, Class A	106	3,163
Financials – 1.0%		
Prudential plc	121	3,000
Health Care – 1.1%		
AstraZeneca plc	49	3,351
Industrials – 2.2%		
BAE Systems plc	844	6,556
Telecommunication Services – 1.1%		
Vodafone Group plc	971	3,175

COMMON STOCKS (Continued)

	Shares	Value
Utilities – 1.9%		
National Grid plc	452	\$ 5,804
SSE plc	—*	—*
		<u>5,804</u>
Total United Kingdom – 15.9%		\$47,112
United States		
Consumer Discretionary – 1.1%		
Ford Motor Co.	200	3,223
Consumer Staples – 2.5%		
Altria Group, Inc.	88	4,398
InBev N.V.	24	2,967
		<u>7,365</u>
Financials – 1.5%		
Two Harbors Investment Corp.	412	4,374
Health Care – 6.4%		
Bristol-Myers Squibb Co. ...	61	3,922
Johnson & Johnson	40	4,024
Merck & Co., Inc.	75	4,285
Pfizer, Inc.	189	6,591
		<u>18,822</u>
Industrials – 2.3%		
General Electric Co.	128	3,184
Lockheed Martin Corp.	18	3,574
		<u>6,758</u>
Information Technology – 2.6%		
Microchip Technology, Inc.	63	3,065
Paychex, Inc.	29	1,461
Texas Instruments, Inc.	55	3,170
		<u>7,696</u>
Materials – 1.2%		
International Paper Co.	65	3,605

COMMON STOCKS (Continued)

	Shares	Value
Utilities – 3.0%		
Abengoa Yield plc	133	\$ 4,477
PPL Corp.	135	4,557
		<u>9,034</u>
Total United States – 20.6%		\$ 60,877
TOTAL COMMON STOCKS – 94.9%		\$280,560
(Cost: \$264,508)		
INVESTMENT FUNDS		
United States – 1.5%		
Ares Capital Corp.	264	4,531
TOTAL INVESTMENT FUNDS – 1.5%		\$ 4,531
(Cost: \$4,266)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (B) – 3.4%		
Diageo Capital plc (GTD by Diageo plc) 0.510%, 4–14–15	\$10,000	9,998
Master Note – 1.0%		
Toyota Motor Credit Corp. 0.130%, 4–1–15 (C) ..	2,901	2,901
TOTAL SHORT-TERM SECURITIES – 4.4%		\$ 12,899
(Cost: \$12,899)		
TOTAL INVESTMENT SECURITIES – 100.8%		\$297,990
(Cost: \$281,673)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.8)%		(2,283)
NET ASSETS – 100.0%		\$295,707

Notes to Schedule of Investments

*Not shown due to rounding.

(A)No dividends were paid during the preceding 12 months.

(B)Rate shown is the yield to maturity at March 31, 2015.

(C)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
Australian Dollar	11,030	U.S. Dollar	8,434	4-13-15	State Street Global Markets	\$ 38	\$—
British Pound	21,200	U.S. Dollar	31,952	4-13-15	State Street Global Markets	507	—
Euro	32,275	U.S. Dollar	34,741	4-13-15	State Street Global Markets	32	—
Japanese Yen	682,488	U.S. Dollar	5,633	4-13-15	State Street Global Markets	—	58
						\$577	\$58

SCHEDULE OF INVESTMENTS

Ivy Global Equity Income Fund *(in thousands)*

MARCH 31, 2015

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$280,560	\$ —	\$ —
Investment Funds	4,531	—	—
Short-Term Securities	—	12,899	—
Total	\$285,091	\$12,899	\$ —
Forward Foreign Currency Contracts	\$ —	\$ 577	\$ —
Liabilities			
Forward Foreign Currency Contracts	\$ —	\$ 58	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

Market Sector Diversification		Utilities	7.5%
(as a % of net assets)		Telecommunication Services	5.8%
Industrials	17.8%	Materials	5.3%
Health Care	16.0%	Energy	4.5%
Financials	12.6%	Information Technology	3.7%
Consumer Discretionary	11.8%	Other+	3.6%
Consumer Staples	11.4%		

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Sarah C. Ross

Below, Sarah C. Ross, CFA, portfolio manager of the Ivy Global Growth Fund (formerly the Ivy International Growth Fund), discusses positioning, performance and results for the fiscal year ended March 31, 2015. Effective August 4, 2014, Ms. Ross assumed portfolio management responsibilities for the Ivy Global Growth Fund from Chace Brundige. Ms. Ross has 19 years of industry experience. In November of 2014, the Ivy International Growth Fund expanded its investment strategy to include stocks of U.S. companies. Effective January 1, 2015, the Fund changed its name to the Ivy Global Growth Fund to reflect its global focus. Performance prior to November 2014 reflects the Fund's former international strategy and may have differed if the Fund's current strategy, which includes investing globally, had been in place.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy International Growth Fund (Class A shares at net asset value)	5.26%
Ivy International Growth Fund (Class A shares including sales load)	-0.79%
Current and Former Benchmark(s) and/or Lipper Category*	
Current index – MSCI World Index (generally reflects the performance of securities markets around the world)	6.03%
Former index – MSCI EAFE Growth Index (generally reflects the performance of international growth stocks)	1.05%
Lipper category – Lipper Global Large-Cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	6.21%

*Effective January 2015, the Fund's benchmark changed from the MSCI EAFE Growth Index to the MSCI World Index, which is more reflective of the types of securities in which the Fund invests following the change to its investment strategy.

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Economic uncertainty dominates markets

Equity markets remained volatile during the fiscal year ended March 31, 2015, on continued uncertainty surrounding global growth rates. The U.S. dollar generally strengthened during the period, while the yen and euro weakened. Investors generally favored safety, resulting in U.S. Treasuries and European government bonds being the big asset class winners for the fiscal year. U.S. stocks continued to lead most major global equity markets for the period. Hong Kong and China had particularly strong returns as the year progressed, primarily on price/earnings (P/E) expansion. U.S. outperformance for the year was driven by solid consumer spending and confidence, stable gross domestic product (GDP) growth and an improving employment outlook for the majority of the period. European equities performed poorly in 2014. Weak inflation, employment and wage data contributed to the decline, but European equities appreciated in the first quarter of 2015 on early signs of improving economic growth. Japan saw considerable volatility throughout the fiscal year, but outperformed the benchmark with particular strength in the first quarter of 2015. The macroeconomic environment was a significant driver of asset class performance during the year as economies sensitive to consumption tended to outperform those sensitive to commodities.

Global economic growth remains slow despite an ongoing policy of central bank easing. European growth has shown early signs of improvement after multiple easing steps initiated during the first quarter of 2015, but is off a low base. While growth remains stable in the U.S. and consumer confidence remains strong, corporate earnings are under pressure from slowing global growth and the negative currency headwind from a stronger dollar. During the fiscal year, health care and information technology were two of the strongest performing sectors, while energy stocks posted negative returns. Commodity prices in energy dropped significantly in the second half of 2014. Despite some recovery in energy prices late in the fiscal year, the sector is still at risk for production cuts and further negative earnings revisions.

Performance for the year

The Fund underperformed its current benchmark, the MSCI World Index, for the fiscal year despite outperforming its former benchmark, the MSCI EAFE Growth Index. (The Fund tracked its former benchmark until January 1, 2015.) Drivers of underperformance were driven partially by limits on ownership of U.S. stocks prior to the broadening mandate change as compared to the current global benchmark with significant U.S. exposure. An additional contributor to underperformance was poor stock selection in consumer discretionary and industrials. Specifically Galaxy Entertainment Group, Hyundai Motor Co. and Vinci SA detracted to performance for the fiscal year. (The Fund no longer holds Hyundai Motor Co. or Vinci SA). On the positive side, currency hedging to the yen, British pound and euro was a material positive contributor to performance in the second half of the year — a time of strong dollar appreciation.

Stock selection was a positive contributor to relative performance compared to the Fund's current MSCI World Index during the last quarter of its fiscal year. Additional material contributors during that time included an underweight allocation to the U.S. market, which underperformed the global market in the first quarter of 2015, and partial hedging of foreign currency exposure. An overweight to health care and consumer discretionary, which both outperformed the broader market, helped performance for the period. Underweighting the poor-performing energy sector added to performance

as well. Stock selection strength came primarily from health care, industrials and financials on exposure to strong performers in biotechnology, aerospace and select European financials. Underperformance during the first quarter came from poor stock selection in Japanese equities and individual stocks including American Express Co., Kansas City Southern and Galaxy Entertainment Group, all of which posted disappointing earnings.

We seek to take advantage of increased equity volatility by adding positions in strong structural growth companies throughout the world that have sustainable competitive advantages. We continue to see opportunities for increased U.S. exposure, as we think valuations for some U.S. growth stocks are relatively more attractive than international competitors. We also see opportunities to add to positions in European and Japanese exporters with strong global brands that may benefit from a weakening local market currency. We expect continued U.S. dollar strength and remain partially hedged against the euro and British pound.

Outlook

The Fund's broadened investment mandate (from *international* to *global*) that became effective after calendar year end, allows for increased exposure to U.S. equities. We believe the increased focus on U.S. companies, in addition to international businesses, will enable us to select the strongest growth companies with the best opportunities for shareholder return regardless of where the business is based.

We expect continued slow global growth. While we believe global policy will remain very accommodative, a number of challenges remain that are likely to cause intermittent equity market volatility. This includes political uncertainty in certain regions across the globe, such as in the Middle East, Ukraine and Russia, and the impact of lower energy prices on global GDP rates. Inflation across many markets is below target and we expect central bank policy to become easier rather than tighter, with additional easing from the European Central Bank and likely reluctance on the part of the U.S. Federal Reserve to raise rates too early.

We believe the likelihood of further P/E expansion is limited (with the possible exception of China and Hong Kong) and expect market outperformers to be driven by earnings growth. Despite uncertainties in the market, we believe our portfolio of strong global growers with sustainable competitive advantages and unique products serving large end-markets can continue to drive shareholder value over time.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted are unmanaged and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Global Growth Fund.

PORTFOLIO HIGHLIGHTS

Ivy Global Growth Fund^(a)

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.2%
Consumer Discretionary	23.7%
Health Care	19.8%
Information Technology	17.9%
Industrials	11.5%
Financials	7.9%
Consumer Staples	6.4%
Telecommunication Services	5.4%
Energy	3.6%
Materials	1.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	2.8%

Lipper Rankings

Category: Lipper Global Large-Cap Growth Funds	Rank	Percentile
1 Year	74/112	66
3 Year	52/74	70
5 Year	59/67	87
10 Year	33/48	68

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Fuji Heavy Industries Ltd.	Japan	Consumer Discretionary	Automobile Manufacturers
Biogen, Inc.	United States	Health Care	Biotechnology
Visa, Inc., Class A	United States	Information Technology	Data Processing & Outsourced Services
Limited Brands, Inc.	United States	Consumer Discretionary	Apparel Retail
Teva Pharmaceutical Industries Ltd. ADR	Israel	Health Care	Pharmaceuticals
Time Warner Cable, Inc.	United States	Consumer Discretionary	Cable & Satellite
Amazon.com, Inc.	United States	Consumer Discretionary	Internet Retail
Fresenius SE & Co. KGaA	Germany	Health Care	Health Care Services
Cognizant Technology Solutions Corp., Class A	United States	Information Technology	IT Consulting & Other Services
Tokyo Electron Ltd.	Japan	Information Technology	Semiconductor Equipment

See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

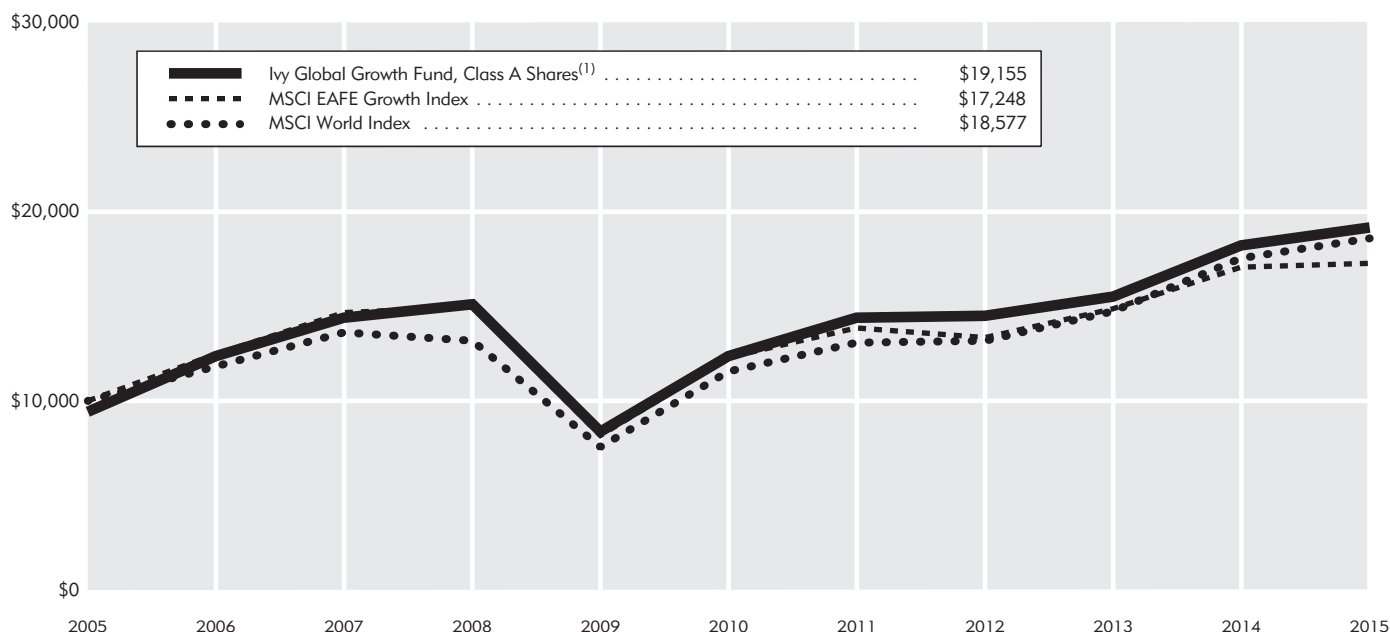
+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

(a)Effective January 1, 2015, the name of Ivy International Growth Fund has changed to Ivy Global Growth Fund.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Growth Fund^(a)

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-0.79%	0.25%	4.51%	-0.52%	5.66%	5.03%	—	5.40%
5-year period ended 3-31-15	7.90%	7.97%	8.24%	8.15%	9.59%	—	—	9.33%
10-year period ended 3-31-15	6.72%	6.45%	6.35%	—	—	—	—	7.46%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	3.14%	4.16%	10.44%	3.31%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

(a) In November of 2014, Ivy International Growth Fund expanded its investment strategy to include stocks of U.S. companies. Effective January 1, 2015, the Fund changed its name to Ivy Global Growth Fund to reflect its global focus and changed its benchmark to MSCI World Index. For comparison purposes, the prior benchmark MSCI EAFE Growth Index is included in this report. Performance prior to November 2014 reflects the Fund's former international strategy and may have differed if the Fund's current strategy that includes investing globally had been in place.

SCHEDULE OF INVESTMENTS

Ivy Global Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Australia		
Telecommunication Services – 1.7%		
Telstra Corp. Ltd. ADR	1,896	\$ 9,110
Total Australia – 1.7%		\$ 9,110
Canada		
Industrials – 1.6%		
Canadian Pacific Railway Ltd.	48	8,726
Total Canada – 1.6%		\$ 8,726
China		
Consumer Discretionary – 1.8%		
JD.com, Inc. ADR (A)	320	9,395
Industrials – 1.0%		
CAR, Inc. (A)	2,924	5,544
Information Technology – 1.9%		
Baidu.com, Inc. ADR (A)	47	9,874
Total China – 4.7%		\$24,813
France		
Consumer Discretionary – 1.2%		
Hermes International	2	572
LVMH Moët Hennessy – Louis Vuitton	33	5,856
		6,428
Industrials – 3.1%		
European Aeronautic Defence and Space Co.	99	6,425
Safran	143	9,984
		16,409
Information Technology – 1.9%		
Cap Gemini S.A.	126	10,343
Materials – 1.0%		
L Air Liquide S.A.	41	5,250
Total France – 7.2%		\$38,430
Germany		
Consumer Discretionary – 2.2%		
Continental AG	50	11,896
Health Care – 4.4%		
Bayer AG	66	9,935
Fresenius SE & Co. KGaA	220	13,150
		23,085
Total Germany – 6.6%		\$34,981
India		
Consumer Staples – 1.2%		
ITC Ltd.	1,168	6,082
Total India – 1.2%		\$ 6,082

COMMON STOCKS (Continued)	Shares	Value
Israel		
Health Care – 2.8%		
Teva Pharmaceutical Industries Ltd. ADR	234	\$14,584
Total Israel – 2.8%		\$14,584
Italy		
Financials – 1.6%		
Azimut Holding S.p.A.	300	8,563
Total Italy – 1.6%		\$ 8,563
Japan		
Consumer Discretionary – 3.7%		
Fuji Heavy Industries Ltd.	582	19,370
Industrials – 2.2%		
Komatsu Ltd.	348	6,847
Mitsubishi Electric Corp.	401	4,776
		11,623
Information Technology – 2.4%		
Tokyo Electron Ltd.	185	12,930
Total Japan – 8.3%		\$43,923
Macau		
Consumer Discretionary – 1.0%		
Galaxy Entertainment Group	1,102	5,018
Total Macau – 1.0%		\$ 5,018
Netherlands		
Consumer Discretionary – 1.1%		
Koninklijke Philips Electronics N.V., Ordinary Shares	204	5,798
Information Technology – 2.7%		
ASML Holding N.V., NY Registry Shares	59	5,991
NXP Semiconductors N.V. (A)	84	8,454
		14,445
Total Netherlands – 3.8%		\$20,243
Spain		
Financials – 1.3%		
CaixaBank S.A.	1,480	7,024
Total Spain – 1.3%		\$ 7,024
Switzerland		
Health Care – 1.1%		
Novartis AG, Registered Shares	60	5,893
Total Switzerland – 1.1%		\$ 5,893

COMMON STOCKS (Continued)	Shares	Value
Taiwan		
Information Technology – 0.4%		
MediaTek, Inc.	172	\$ 2,328
Total Taiwan – 0.4%		\$ 2,328
United Kingdom		
Consumer Staples – 1.4%		
SABMiller plc	141	7,419
Energy – 1.2%		
Royal Dutch Shell plc, Class A	207	6,194
Financials – 3.4%		
Aviva plc	683	5,470
Prudential plc	518	12,847
		18,317
Health Care – 2.2%		
Shire plc	145	11,538
Total United Kingdom – 8.2%		\$43,468
United States		
Consumer Discretionary – 12.7%		
Amazon.com, Inc. (A)	37	13,589
Carnival Corp.	150	7,166
Hilton Worldwide Holdings, Inc. (A)	338	10,013
Home Depot, Inc. (The)	70	8,008
Limited Brands, Inc.	159	14,998
Time Warner Cable, Inc.	91	13,638
		67,412
Consumer Staples – 3.8%		
Coca-Cola Co. (The)	230	9,314
InBev N.V.	90	11,044
		20,358
Energy – 2.4%		
Halliburton Co.	160	7,024
Schlumberger Ltd.	67	5,588
		12,612
Financials – 1.6%		
American Express Co.	107	8,395
Health Care – 9.3%		
Biogen, Inc. (A)	38	16,207
Gilead Sciences, Inc. (A)	131	12,842
HCA Holdings, Inc. (A)	156	11,711
Medtronic plc	112	8,700
		49,460
Industrials – 3.6%		
J.B. Hunt Transport Services, Inc.	148	12,662
Kansas City Southern	64	6,484
		19,146

SCHEDULE OF INVESTMENTS

Ivy Global Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS (Continued)			SHORT-TERM SECURITIES		
	Shares	Value		Principal	Value
Information Technology – 8.6%			Commercial Paper (B) – 3.2%		
Cognizant Technology Solutions Corp., Class A (A)	208	\$ 12,956	Kellogg Co. 0.520%, 4–22–15	\$5,000	\$ 4,998
Google, Inc., Class C (A)	19	10,637	National Oilwell Varco, Inc. 0.160%, 5–13–15	4,000	3,999
Micron Technology, Inc. (A)	222	6,020	PacifiCorp 0.550%, 4–2–15	5,000	5,000
Visa, Inc., Class A	243	15,895	Sherwin-Williams Co. (The) 0.210%, 4–2–15	3,000	3,000
		<u>45,508</u>			<u>16,997</u>
Telecommunication Services – 3.7%			Master Note – 0.3%		
Level 3 Communications, Inc. (A)	199	10,707	Toyota Motor Credit Corp. 0.130%, 4–1–15 (C) . . .	1,724	1,724
SBA Communications Corp. (A)	77	9,062			
		<u>19,769</u>			
Total United States – 45.7%		\$242,660	TOTAL SHORT-TERM SECURITIES – 3.5%		\$ 18,721
TOTAL COMMON STOCKS – 97.2%		\$515,846	(Cost: \$18,721)		
(Cost: \$441,504)			TOTAL INVESTMENT SECURITIES – 100.7%		\$534,567
			(Cost: \$460,225)		
			LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.7)%		(3,500)
			NET ASSETS – 100.0%		\$531,067

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)Rate shown is the yield to maturity at March 31, 2015.

(C)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered	Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	12,300	U.S. Dollar	4–13–15	Morgan Stanley International	\$294	\$—
Euro	23,500	U.S. Dollar	4–13–15	Morgan Stanley International	23	—
					<u>\$317</u>	<u>\$—</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$515,846	\$ —	\$—
Short-Term Securities	—	18,721	—
Total	<u>\$515,846</u>	<u>\$18,721</u>	<u>\$—</u>
Forward Foreign Currency Contracts	\$ —	\$ 317	\$—

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

SCHEDULE OF INVESTMENTS

Ivy Global Growth Fund *(in thousands)*

MARCH 31, 2015

The following acronym is used throughout this schedule:

ADR = American Depositary Receipts

Market Sector Diversification

(as a % of net assets)

Consumer Discretionary	23.7%
Health Care	19.8%
Information Technology	17.9%
Industrials	11.5%

Financials	7.9%
Consumer Staples	6.4%
Telecommunication Services	5.4%
Energy	3.6%
Materials	1.0%
Other+	2.8%

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



W. Jeffery Surles

Below, W. Jeffery Surles, CFA, Ivy Global Income Allocation Fund manager, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Surles has managed the Fund since June 2012 and has 13 years of industry experience. In August of 2014, John Maxwell, an additional portfolio manager for the Fund, relinquished his portfolio management responsibilities.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Global Income Allocation Fund (Class A shares at net asset value)	2.87%
Ivy Global Income Allocation Fund (Class A shares including sales load)	-3.05%
Benchmark(s) and/or Lipper Category	
Barclays Multiverse Index (generally reflects the performance of fixed-income securities that represent the global bond market)	-3.76%
MSCI World High Dividend Yield Index (generally reflects the performance of equities with higher-than-average dividend yields that are both sustainable and persistent)	0.16%
60% MSCI World High Dividend Yield / 40% Barclays Multiverse (generally reflects the performance of equities with higher-than-average dividend yields that are both sustainable and persistent and fixed-income securities that represent the global bond market)	-1.31%
Lipper Flexible Portfolio Funds (generally reflects the performance of the universe of funds with similar investment objectives)	3.05%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value. Multiple indexes are present because the Fund invests in multiple asset classes.

International markets down for majority of fiscal year

For most of the fiscal year, the U.S. market — buoyed by the strong U.S. dollar — was the strongest relative market across the globe. Improving labor markets in the U.S. led investors to start pricing an end to the zero interest rate policy from the U.S. Federal Reserve (Fed). This led to rising short-term Treasury rates, while interest rates in other parts of the world continued to fall over fears of deflation. The higher relative rates, combined with a relatively healthy U.S. economy, attracted foreign capital. As a result, the U.S. dollar surged higher. This provided a favorable backdrop for U.S. equities and they materially outperformed their global counterparts through the first three quarters of the fiscal year. However, this trend began to reverse course late in calendar year 2014. Falling commodity prices sparked deflation concerns globally, leading investors to expect additional monetary easing from global central banks. The European Central Bank's (ECB) announcement of a large scale asset purchase program in January 2015 sparked a significant rally in European equities. The euro depreciated sharply versus the U.S. dollar, and a number of yield curves in Europe displayed negative rates as longer-term interest rates fell to record low levels. Emerging markets continued to underperform for most of the year as growth in many countries slowed.

Fund performance and positioning

The Fund outperformed its blended benchmark for the fiscal year ending March 31, 2015. Both the equity and fixed-income allocations exceeded their respective benchmarks, and currency hedging back to the U.S. dollar added additional outperformance. We spent the entire year overweight equities, which aided performance. While the fixed-income portion of the Fund outperformed its benchmark, it posted negative returns for the fiscal year. The benchmark has large foreign currency exposure, which negatively impacted its return. The vast majority of our relative outperformance within the fixed-income portfolio was due to a much heavier dollar weighting than the benchmark. Our shorter duration detracted to performance as interest rates globally continued to decline. This was partially offset by our overweight towards credit markets.

On the equity side, most of our outperformance was achieved during the final quarter of the fiscal year. We had long been positioned for the ECB to eventually start a broader quantitative easing program. The portfolio was overweight European markets, with portions of the portfolio's euro exposure hedged. We also positioned the portfolio through security selection to seek to benefit from the falling euro via exporters and European companies with large amounts of U.S. dollar revenues. While we were early in entering into this positioning, which held back performance through the first part of the fiscal year, we benefited significantly when the ECB announced additional easing efforts early in 2015. In addition, allocations to Australia and Singapore aided relative performance. Our only major issue from a country standpoint was in Canada, where poor security selection in the energy sector detracted from performance. As a result, the Fund's energy holdings hurt performance relative to the benchmark. The greatest contributor to performance for the fiscal year was driven by strong stock selection in the consumer discretionary sector as certain holdings benefited by the declining euro. Additionally, stock selection in financials and health care also added to performance for the period. On the whole, the Fund's security selection proved sound over the year and was the primary driver of performance.

The Fund has long used currency forwards to hedge and mitigate foreign exchange risk within the portfolio. For the first time, we used equity derivatives towards the end of the fiscal year. In our view, significant distortions appeared in equity option markets around many energy names as

investors looked to buy puts and hedge positions. It became extremely expensive to buy puts on many energy names, especially relative to buy call costs. As a result, it became advantageous to sell puts and buy calls to add exposure to energy stocks. We implemented this strategy on several energy names that we believe have long-term growth potential and we would not mind owning if the puts we sold hit the strike price. While these positions were relatively small relative to the overall context of the Fund, they benefitted performance.

The view ahead

We continue to be positive on equities with a distinct bias towards European equities. We believe European Gross Domestic Product (GDP) forecasts are currently too low and the chance for a material recovery in European GDP is now greater than anytime over the past five years. Euro depreciation could be a significant beneficiary to much of the European economy as could lower oil prices. More importantly, credit data in Europe has recently turned positive and is showing some signs of accelerating. Behind the improving macroeconomic backdrop, the ECB continues to embark on its quantitative easing program. Interest rates have been reduced to record low levels, and the spread between 10-year, risk-free yields and dividend yields on European equities is still elevated in a global context. While we think valuations in Europe are no longer cheap, earnings in Europe are still depressed. Unlike the U.S. equity market, which has been at peak margins for some time, we view margins in Europe as still well below peak levels. If we do start to see growth pick up in the Eurozone, we believe margins should have plenty of room to expand and lead to earnings upgrades. If this is the case, then valuation multiples could look lower than what consensus numbers currently suggest. Within Europe, we have switched some of our equity exposure. Where we were more focused on exporters and lower euro beneficiaries, we have rotated more to beneficiaries of a domestic recovery in the Eurozone. Many of the leading economic indicators have ticked up, and growth looks to be accelerating as the recovery takes hold. If we do see a recovery in European growth, our view is the domestically oriented names, which have lagged the rally, should start to perform. At fiscal year end, our largest weighting in Europe was non-bank financials. For years, European savers have been reliant on generous pension payments and bank deposits to save for retirement. As a result of the European sovereign crisis, many of the pension payments have been cut, and bank deposit rates are currently at extremely low levels. In our view, savers in Europe will need to seek out higher returning products. In Europe, these products are primarily offered by insurance and asset management companies. At this point, we are still hedging the euro, although the hedge position has been reduced somewhat given the magnitude of the currency move. We think Japan shares many characteristics with Europe in that it could be a beneficiary of lower oil prices and a depreciating currency. The Bank of Japan is also being aggressive, and we believe equities in the country should behave similarly to Europe. The Fund does have some exposure in Japan, but given the current low equity yields, it is not a major portion of the portfolio.

In contrast to Europe, we have become more cautious on the U.S. economy as economic data slowed during the first quarter of 2015. This was mainly blamed on poor weather and closures of several ports on the West Coast. Additionally, retail sales figures remained weak. While the U.S. economy is likely to show decent relative growth (for a developed market economy), we remained concerned that consensus GDP forecasts will be lowered. Moreover, while lower energy prices are a benefit to the U.S. consumer, we worry about the effect of reduced spending on shale energy. This is one of the few areas in the U.S. that has witnessed significant amounts of capital expenditures (capex) in what has otherwise been a largely capex-less recovery — that investment is abruptly slowing. As a result, the Fund remains underweight the U.S.

On the fixed-income side, our views remain similar to last year — we continue to favor credit markets. This is especially true given the income focus of the Fund, and the low levels of risk-free rates around the globe. Central bank liquidity appears ample despite the Fed ending its asset purchase program, while other central banks around the globe have stepped in to fill the liquidity void. As far as positioning, we still maintain a large position in subordinated bank debt. This is mainly concentrated in Europe, but we have holdings in U.S. banks as well. The position is largely predicated on the tough regulatory environment for banks, which shows no signs of abating.

We are no longer as negative on emerging markets as we once were. In our view, emerging-market assets are now largely priced for a tough economic scenario. As such, we are no longer looking to actively reduce the fixed-income portfolio's emerging-market exposure, which we had been doing for some time. On the margins, we have been reducing our fixed-income exposure in favor of equities. Bond yields continue to decline the world over, making dividend yields relatively attractive compared to 10-year bond yields in many markets. That, coupled with a slowly recovering global economy and central banks providing ample amounts of stimulus, has us comfortable holding a larger overweight position in equities. As always, we continue to search for income-generating securities across the globe.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets.

Fixed-income securities are subject to interest-rate risk and, as such, the net asset value of the Fund may fall as interest rates rise. Investing in high-income securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted are unmanaged and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Global Income Allocation Fund.

PORTFOLIO HIGHLIGHTS

Ivy Global Income Allocation Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	67.7%
Financials	20.1%
Consumer Discretionary	11.8%
Industrials	8.3%
Consumer Staples	6.7%
Energy	5.1%
Health Care	5.0%
Materials	3.1%
Utilities	2.8%
Telecommunication Services	2.6%
Information Technology	2.2%
Purchased Options	0.0%
Bonds	28.7%
Corporate Debt Securities	21.9%
Other Government Securities	3.4%
Loans	3.3%
Municipal Bonds	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	3.6%

Country Weightings

Europe	41.6%
United Kingdom	11.3%
France	7.5%
Germany	4.2%
Other Europe	18.6%
North America	39.6%
United States	36.4%
Other North America	3.2%
Pacific Basin	9.8%
Australia	5.7%
Other Pacific Basin	4.1%
South America	2.5%
Bahamas/Caribbean	1.7%
Other	1.2%
Cash and Other Assets (Net of Liabilities), Cash Equivalents + and Purchased Options	3.6%

Lipper Rankings

Category: Lipper Flexible Portfolio Funds	Rank	Percentile
1 Year	278/520	54
3 Year	220/372	59
5 Year	148/231	64
10 Year	80/116	69

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Abengoa Yield plc	United States	Utilities	Renewable Electricity
Ares Capital Corp.	United States	Financials	Asset Management & Custody Banks
Blackstone Mortgage Trust, Inc., Class A	United States	Financials	Mortgage REITs
ProSieben- Sat.1 Media AG	Germany	Consumer Discretionary	Broadcasting
Limited Brands, Inc.	United States	Consumer Discretionary	Apparel Retail
Two Harbors Investment Corp.	United States	Financials	Mortgage REITs
Bristol-Myers Squibb Co.	United States	Health Care	Pharmaceuticals
Sampo plc, A Shares	Finland	Financials	Multi-Line Insurance
Philip Morris International, Inc.	United States	Consumer Staples	Tobacco
Target Corp.	United States	Consumer Discretionary	General Merchandise Stores

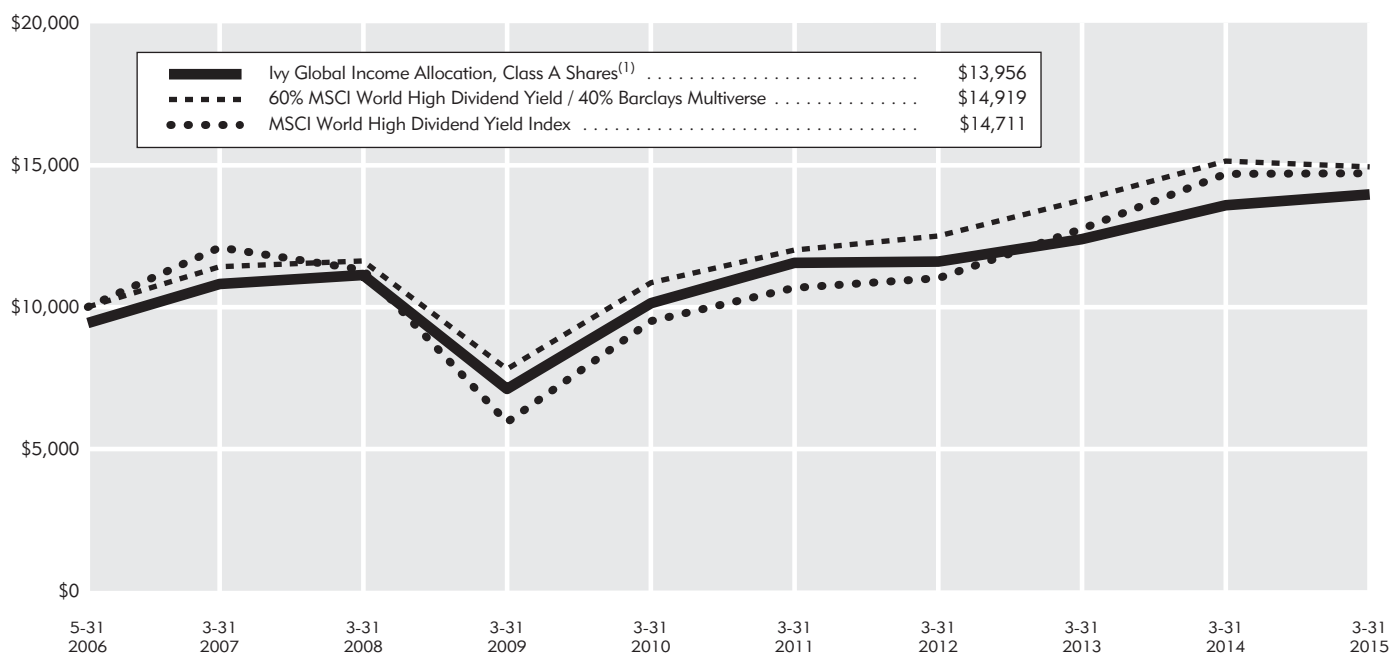
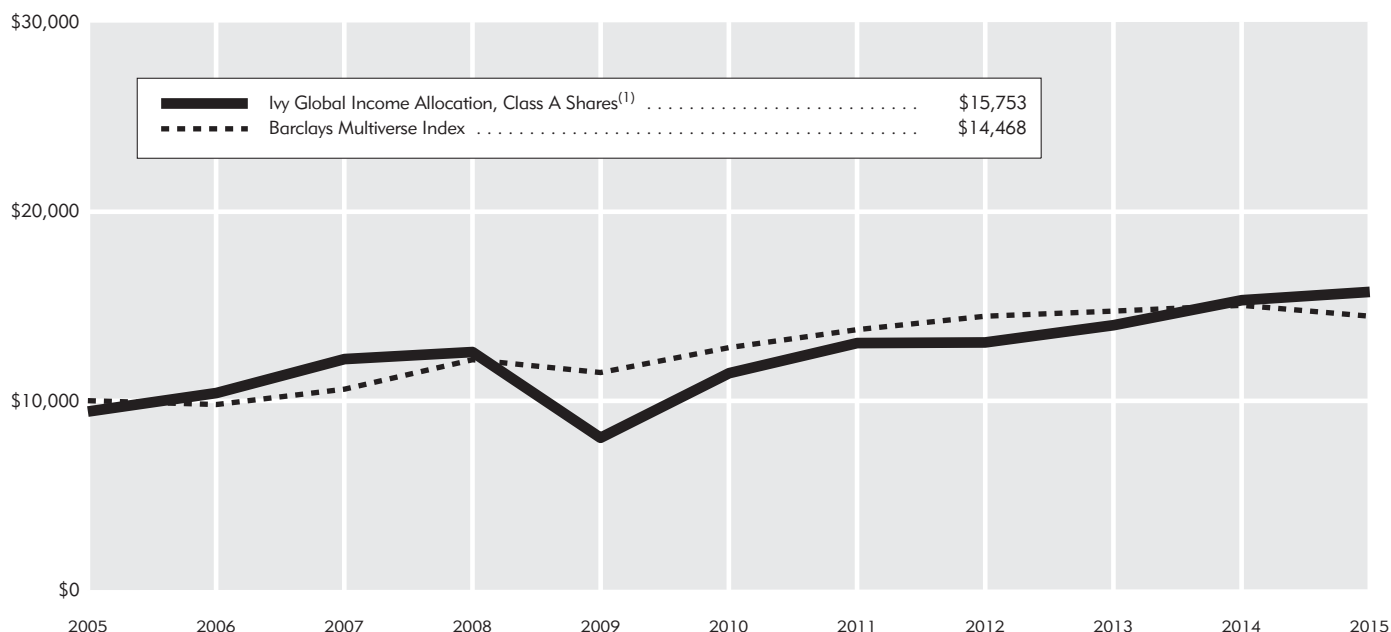
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Income Allocation Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

Effective June 4, 2012, Ivy International Balanced Fund changed its name to Ivy Global Income Allocation Fund. As a result, the Fund's benchmark was changed to a blended index composed of 60% MSCI World High Dividend Yield Index and 40% Barclays Multiverse Index. We believe this index is more representative of the types of equity and fixed-income securities in which the Fund invests.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Global Income Allocation Fund

(UNAUDITED)

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-3.05%	-2.01%	2.18%	-3.09%	3.22%	2.64%	—	2.97%
5-year period ended 3-31-15	5.37%	5.46%	5.93%	5.40%	7.09%	—	—	6.79%
10-year period ended 3-31-15	4.65%	4.43%	4.54%	—	—	—	—	5.41%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	2.40%	3.67%	6.69%	0.36%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Global Income Allocation Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Australia			France			Norway		
Financials – 2.2%			Consumer Staples – 1.0%			Consumer Staples – 0.9%		
Macquarie Group Ltd.	170	\$ 9,927	Casino,			Marine Harvest ASA	582	\$ 6,692
National Australia Bank			Guichard-Perrachon	81	\$ 7,193			
Ltd.	235	6,900				Financials – 0.8%		
		<u>16,827</u>	Energy – 0.8%			Gjensidige Forsikring ASA ...	346	5,977
Industrials – 0.6%			Total S.A.	122	6,090			
Spotless Group Holdings						Total Norway – 1.7%		\$12,669
Ltd.	2,930	5,066	Financials – 1.1%			Singapore		
			Axa S.A.	333	8,400	Consumer Discretionary – 0.6%		
Materials – 1.6%						Asian Pay Television Trust ...	7,121	4,618
Amcor Ltd.	683	7,307	Industrials – 2.3%					
Pact Group Holdings Ltd. ...	1,470	4,725	Bouygues S.A.	180	7,072	Telecommunication Services – 1.1%		
		<u>12,032</u>	Compagnie de			Singapore		
Total Australia – 4.4%		\$33,925	Saint-Gobain	155	6,816	Telecommunications Ltd. ...	2,550	8,139
			Rexel S.A.	200	3,777			
Belgium					<u>17,665</u>	Total Singapore – 1.7%		\$12,757
Consumer Staples – 1.3%			Telecommunication Services – 0.7%			Spain		
Anheuser-Busch InBev S.A.			France Telecom	337	5,423	Industrials – 2.3%		
ADR	83	10,119				ACS Actividades de		
			Utilities – 0.8%			Construccion y Servicios		
Total Belgium – 1.3%		\$10,119	Gaz de France	308	6,105	S.A.	260	9,213
						Cintra Concesiones de		
Bermuda			Total France – 6.7%		\$50,876	Intraestructuras de		
Financials – 0.9%			Germany			Transporte	385	8,196
Catlin Group Ltd.	668	7,028	Consumer Discretionary – 2.7%					<u>17,409</u>
			Daimler AG	85	8,201	Total Spain – 2.3%		\$17,409
Total Bermuda – 0.9%		\$ 7,028	ProSieben- Sat.1 Media AG ..	260	12,778	Sweden		
					<u>20,979</u>	Financials – 0.9%		
Canada			Industrials – 1.0%			Nordea Bank AB	580	7,092
Energy – 0.7%			Siemens AG	70	7,579			
Baytex Energy Corp.	170	2,695				Total Sweden – 0.9%		\$ 7,092
Crescent Point Energy			Total Germany – 3.7%		\$28,558	Switzerland		
Corp.	133	2,965	Israel			Consumer Staples – 0.9%		
		<u>5,660</u>	Health Care – 1.2%			Nestle S.A., Registered		
Financials – 0.8%			Teva Pharmaceutical			Shares	93	7,024
Bank of Nova Scotia Berhad			Industries Ltd. ADR	146	9,095			
(The)	115	5,783				Total Switzerland – 0.9%		\$ 7,024
			Total Israel – 1.2%		\$ 9,095	United Kingdom		
Total Canada – 1.5%		\$11,443	Japan			Consumer Discretionary – 3.7%		
			Financials – 0.9%			British Sky Broadcasting		
Denmark			Aozora Bank Ltd.	1,869	6,639	Group plc	443	6,525
Financials – 1.1%						Kingfisher plc	1,251	7,062
Danske Bank A.S.	300	7,923	Industrials – 0.9%			Taylor Wimpey plc	3,780	8,686
			Mitsui & Co. Ltd.	550	7,392	WPP Group plc	259	5,887
Telecommunication Services – 0.8%								<u>28,160</u>
TDC A/S	868	6,220	Total Japan – 1.8%		\$14,031	Energy – 0.8%		
			New Zealand			BP plc	946	6,125
Total Denmark – 1.9%		\$14,143	Consumer Discretionary – 0.0%					
			SKYCITY Entertainment			Financials – 2.8%		
Finland			Group Ltd.	75	230	Legal & General Group plc ...	1,891	7,815
Financials – 1.4%						St. James's Place plc	550	7,625
Sampo plc, A Shares	210	10,617	Total New Zealand – 0.0%		\$ 230	Standard Life plc	826	5,830
								<u>21,270</u>
Total Finland – 1.4%		\$10,617						

SCHEDULE OF INVESTMENTS

Ivy Global Income Allocation Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Health Care – 1.2%		
GlaxoSmithKline plc ADR . . .	195	\$ 8,999
Total United Kingdom – 8.5%		\$ 64,554
United States		
Consumer Discretionary – 4.8%		
Ford Motor Co.	506	8,170
Limited Brands, Inc.	120	11,315
McDonald's Corp.	70	6,821
Target Corp.	125	10,258
		36,564
Consumer Staples – 2.6%		
Colgate-Palmolive Co.	140	9,708
Philip Morris International, Inc.	138	10,378
		20,086
Energy – 2.8%		
ConocoPhillips	103	6,437
HollyFrontier Corp.	165	6,655
ONEOK, Inc.	170	8,201
		21,293
Financials – 5.4%		
Blackstone Mortgage Trust, Inc., Class A	460	13,042
Crown Castle International Corp.	95	7,841
Starwood Property Trust, Inc.	400	9,720
Two Harbors Investment Corp.	1,030	10,939
		41,542
Health Care – 2.6%		
Bristol-Myers Squibb Co. . . .	166	10,739
Johnson & Johnson	93	9,314
		20,053
Industrials – 1.2%		
Rockwell Automation, Inc.	82	9,511
Information Technology – 2.2%		
Paychex, Inc.	184	9,144
Texas Instruments, Inc.	130	7,434
		16,578
Materials – 1.1%		
Dow Chemical Co. (The) . . .	175	8,397
Utilities – 2.0%		
Abengoa Yield plc	440	14,863
Total United States – 24.7%		\$188,887
TOTAL COMMON STOCKS – 65.5%		\$500,457
(Cost: \$477,826)		

INVESTMENT FUNDS

	Shares	Value
United States – 1.8%		
Ares Capital Corp.	815	\$13,993
TOTAL INVESTMENT FUNDS – 1.8%		\$13,993
(Cost: \$14,153)		
PREFERRED STOCKS		
Luxembourg		
Materials – 0.4%		
ArcelorMittal, 6.000%, Convertible	194	2,907
Total Luxembourg – 0.4%		\$ 2,907
TOTAL PREFERRED STOCKS – 0.4%		\$ 2,907
(Cost: \$4,429)		
PURCHASED OPTIONS	Number of Contracts (Unrounded)	
Crescent Point Energy Corp.: Call CAD32.00, Expires 4–17–15, OTC (Ctrpty: Citibank N.A.) (A)	2,000	9
Call CAD32.00, Expires 7–17–15, OTC (Ctrpty: Citibank N.A.) (A)	2,000	95
Helmerich & Payne, Inc., Call \$72.50, Expires 6–19–15, OTC (Ctrpty: JPMorgan Chase Bank N.A.)	820	200
TOTAL PURCHASED OPTIONS – 0.0%		\$ 304
(Cost: \$547)		
CORPORATE DEBT SECURITIES	Principal	
Argentina		
Consumer Discretionary – 0.2%		
Arcos Dorados Holdings, Inc. 10.250%, 7–13–16(A)(B) . .	BRL5,000	1,410
Industrials – 0.8%		
Aeropuertos Argentina 2000 S.A.: 10.750%, 12–1–20(B) . . .	\$ 805	844

CORPORATE DEBT SECURITIES

	Principal	Value
(Continued)		
Industrials (Continued)		
10.750%, 12–1–20	\$ 5,233	\$5,489
		6,333
Total Argentina – 1.0%		\$7,743
Australia		
Materials – 0.9%		
BlueScope Steel (Finance) Ltd. and BlueScope Steel Finance (USA) LLC 7.125%, 5–1–18 (B)	1,000	1,035
FMG Resources Pty Ltd.: 8.250%, 11–1–19 (B) . . .	4,000	3,380
6.875%, 4–1–22 (B)	3,750	2,770
		7,185
Total Australia – 0.9%		\$7,185
Austria		
Consumer Staples – 0.8%		
JBS Investments GmbH (GTD by Hungary Holdings Kft) 7.250%, 4–3–24	5,000	5,100
JBS Investments GmbH (GTD by JBS S.A. and JBS Hungary Holdings Kft.) 7.750%, 10–28–20 (B) . .	1,000	1,057
		6,157
Total Austria – 0.8%		\$6,157
Brazil		
Consumer Staples – 0.3%		
AmBev International Finance Co. Ltd. 9.500%, 7–24–17 (A) . . .	BRL7,500	2,250
Energy – 0.1%		
QGOG Constellation S.A. 6.250%, 11–9–19 (B) . . .	\$ 1,500	855
Total Brazil – 0.4%		\$3,105
Cayman Islands		
Consumer Staples – 0.4%		
Marfrig Overseas Ltd. 9.500%, 5–4–20 (B)	3,000	2,835
Industrials – 0.4%		
Odebrecht Finance Ltd. 7.500%, 9–29–49	500	415
Odebrecht Offshore Drilling Finance 6.750%, 10–1–22 (B) . . .	3,860	3,000
		3,415
Total Cayman Islands – 0.8%		\$6,250

SCHEDULE OF INVESTMENTS

Ivy Global Income Allocation Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Columbia		
Energy – 0.2%		
Empresas Publicas de Medellin E.S.P.		
8.375%, 2-1-21 (A) . . . COP3,888,000	\$1,583	
Total Columbia – 0.2%		\$1,583
France		
Financials – 0.8%		
Societe Generale S.A.:		
8.250%, 11-29-49 . . . \$	1,000	1,062
6.000%, 12-31-49 (B) . . .	2,000	1,898
7.875%, 12-31-49 (B) . . .	3,000	3,097
		6,057
Total France – 0.8%		\$6,057
Guernsey		
Financials – 0.9%		
Credit Suisse Group (Guernsey) I Ltd.		
7.875%, 2-24-41 . . .	6,843	7,254
Total Guernsey – 0.9%		\$7,254
Hong Kong		
Utilities – 0.3%		
China Resources Power Holdings Co. Ltd.		
7.250%, 5-9-49 (C) . . .	2,000	2,045
Total Hong Kong – 0.3%		\$2,045
Ireland		
Energy – 0.1%		
Novatek Finance Ltd.		
7.750%, 2-21-17 (A)(B) . . . RUB	25,000	384
Total Ireland – 0.1%		\$ 384
Luxembourg		
Consumer Discretionary – 0.2%		
Alice S.A.		
7.625%, 2-15-25 (B) . . . \$	1,188	1,190
Energy – 0.2%		
Offshore Drilling Holding S.A.		
8.375%, 9-20-20 (B)(C) . . .	1,500	1,202
Information Technology – 0.9%		
BC Luxco 1 S.A.		
7.375%, 1-29-20 (B) . .	7,000	6,912
Materials – 0.2%		
Evraz Group S.A.:		
7.400%, 4-24-17 . . .	1,000	988
9.500%, 4-24-18 (B) . .	850	864
		1,852

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Utilities – 0.2%		
Aguila 3 S.A.		
7.875%, 1-31-18 (B) . . \$	1,500	\$ 1,500
Total Luxembourg – 1.7%		\$12,656
Mexico		
Energy – 0.4%		
Empresas ICA S.A.B. de C.V.		
8.875%, 5-29-24 (B) . .	4,000	3,188
Materials – 0.4%		
C5 Capital (SPV) Ltd.		
4.552%, 12-29-49 (B)(C) . . .	2,000	1,720
CEMEX S.A.B. de C.V.		
9.500%, 6-15-18 (B) . .	1,500	1,664
		3,384
Telecommunication Services – 0.2%		
America Movil S.A.B. de C.V.		
6.450%, 12-5-22 (A) . . MXN22,000		1,390
Total Mexico – 1.0%		\$ 7,962
Netherlands		
Consumer Discretionary – 0.3%		
VTR Finance B.V.		
6.875%, 1-15-24 (B) . . .	2,400	2,490
Consumer Staples – 0.8%		
Marfrig Holdings (Europe) B.V.		
8.375%, 5-9-18 (B) . .	6,000	5,670
Materials – 0.6%		
Constellium N.V.		
8.000%, 1-15-23 (B) . .	4,253	4,455
Telecommunication Services – 0.1%		
VimpleCom Holdings B.V.		
9.000%, 2-13-18 (A)(B) . . . RUB 50,000		760
Utilities – 0.2%		
Listrindo Capital B.V.		
6.950%, 2-21-19 (B) . . \$	750	791
Listrindo Capital B.V. (GTD by PT Cikarang Listrindo)		
6.950%, 2-21-19 . . .	1,000	1,055
		1,846
Total Netherlands – 2.0%		\$15,221
Norway		
Consumer Discretionary – 0.5%		
World Wide Supply A.S.		
7.750%, 5-26-17 (B) . .	5,000	4,150

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Consumer Staples – 0.5%		
Corporacion Pesquera Inca S.A.C.		
9.000%, 2-10-17 (B) . . \$	3,650	\$ 3,623
Total Norway – 1.0%		\$ 7,773
Russia		
Industrials – 0.1%		
SCF Capital Ltd.		
5.375%, 10-27-17 . .	750	670
Total Russia – 0.1%		\$ 670
Singapore		
Consumer Staples – 0.0%		
Olam International Ltd.		
6.000%, 8-10-18 (A) . . SGD	250	193
Total Singapore – 0.0%		\$ 193
Turkey		
Financials – 0.2%		
Türkiye İş Bankası A.S.		
6.000%, 10-24-22 (B) . . \$	1,500	1,485
Total Turkey – 0.2%		\$ 1,485
United Kingdom		
Financials – 2.8%		
Barclays plc		
8.250%, 12-29-49 . .	11,085	11,877
HSBC Holdings plc		
6.375%, 3-29-49 . . .	2,000	2,045
Lloyds Banking Group plc		
7.500%, 4-30-49 . . .	2,000	2,125
Royal Bank of Scotland Group plc (The)		
7.640%, 3-29-49 . . .	5,000	5,475
		21,522
Total United Kingdom – 2.8%		\$21,522
United States		
Consumer Discretionary – 1.1%		
B-Corp Merger Sub, Inc.		
8.250%, 6-1-19 . . .	6,000	5,205
New Academy Finance Co. LLC		
8.000%, 6-15-18 (B)(D)	3,000	3,000
		8,205
Energy – 0.4%		
Brand Energy & Infrastructure Services		
8.500%, 12-1-21 (B) . .	3,000	2,813

SCHEDULE OF INVESTMENTS

Ivy Global Income Allocation Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Financials – 3.2%		
Bank of America Corp.:		
6.250%, 9–29–49	\$3,000	\$ 3,056
8.000%, 12–29–49	6,000	6,442
BGC Partners, Inc.		
5.375%, 12–9–19	6,000	6,120
Isabelle Acquisition Sub, Inc.		
10.000%, 11–15–18(D)	2,026	2,127
JPMorgan Chase & Co.		
6.125%, 12–29–49	5,000	5,100
UBS Preferred Funding Trust V		
6.243%, 5–29–49	2,000	2,083
		<u>24,928</u>
Industrials – 2.2%		
Florida East Coast Holdings Corp. and Florida East Coast Industries LLC		
6.750%, 5–1–19(B)	1,856	1,870
HD Supply, Inc.		
11.500%, 7–15–20	5,000	5,812
Roofing Supply Group LLC and Roofing Supply Finance, Inc.		
10.000%, 6–1–20(B)	6,000	5,865
TRAC Intermodal LLC and TRAC Intermodal Corp.		
11.000%, 8–15–19	500	548
TransDigm Group, Inc.		
7.500%, 7–15–21	2,270	2,440
		<u>16,535</u>
Total United States – 6.9%		\$ 52,481

TOTAL CORPORATE DEBT SECURITIES – 21.9%

\$167,726

(Cost: \$178,595)

MUNICIPAL BONDS

United States – 0.1%		
Cmnwlth of PR, GO Bonds of 2014, Ser A		
8.000%, 7–1–35	1,090	897
		<u>897</u>
TOTAL MUNICIPAL BONDS – 0.1%		\$ 897

(Cost: \$1,015)

OTHER GOVERNMENT SECURITIES (E)

Argentina – 0.9%		
City of Buenos Aires:		
12.500%, 4–6–15	3,000	3,001
8.950%, 2–19–21 (B)	2,000	2,100
Province of Buenos Aires (The)		
11.750%, 10–5–15	2,000	1,970
		<u>7,071</u>

OTHER GOVERNMENT SECURITIES (E)

(Continued)	Principal	Value
Australia – 0.4%		
New South Wales Treasury Corp.		
5.500%, 3–1–17 (A)	AUD 4,000	\$ 3,255
Canada – 0.7%		
City of Toronto		
3.500%, 12–6–21 (A)	CAD 2,000	1,749
Province of Ontario		
4.400%, 6–2–19 (A)	2,000	1,792
Regional Municipality of York		
4.000%, 6–30–21 (A)	2,000	1,799
		<u>5,340</u>
Germany – 0.5%		
KfW, Frankfurt/Main, Federal Republic of Germany		
2875%, 10–12–16 (A)	NOK 26,000	3,313
Ireland – 0.1%		
Russian Railways via RZD Capital Ltd.		
8.300%, 4–2–19 (A)	RUB 50,000	\$ 709
Malaysia – 0.1%		
Malaysia Government Bond		
3.314%, 10–31–17 (A)	MYR 3,000	810
Spain – 0.7%		
Banco Bilbao Vizcaya Argentaria S.A.		
9.000%, 5–29–49	\$ 5,000	5,438

TOTAL OTHER GOVERNMENT SECURITIES – 3.4%

\$25,936

(Cost: \$30,116)

LOANS (C)

Canada		
Consumer Discretionary – 0.0%		
KIK Custom Products, Inc.		
9.500%, 10–29–19	113	113
		<u>113</u>
Total Canada – 0.0%		\$ 113
Luxembourg		
Consumer Discretionary – 0.4%		
Formula One Holdings Ltd. and Delta Two S.a.r.l.		
7.750%, 7–29–22	3,058	3,038
		<u>3,038</u>
Total Luxembourg – 0.4%		\$ 3,038

LOANS (C) (Continued)

	Principal	Value
United States		
Consumer Staples – 0.5%		
Focus Brands, Inc.:		
10.250%, 8–21–18	\$ 303	\$ 303
10.250%, 8–21–18	697	697
GOBP Holdings, Inc.		
9.250%, 10–21–22	2,906	2,855
		<u>3,855</u>
Energy – 0.4%		
Empresas ICA S.A.		
7.144%, 7–1–17	3,000	2,850
Industrials – 0.9%		
Capital Safety North America Holdings, Inc.		
6.500%, 3–28–22	2,563	2,507
Hampton Rubber Co. & SEI Holding Corp.		
9.000%, 3–27–22	5,000	4,000
		<u>6,507</u>
Information Technology – 0.5%		
Active Network, Inc. (The)		
9.500%, 11–15–21	3,000	2,865
Misys plc and Magic Newco LLC		
12.000%, 6–12–19	1,000	1,088
		<u>3,953</u>
Materials – 0.6%		
EP Minerals LLC		
8.500%, 8–20–21	781	777
U.S. LBM Holdings LLC:		
8.000%, 5–2–20	1,709	1,679
8.000%, 5–2–20	1,129	1,110
8.000%, 5–2–20	1,124	1,104
		<u>4,670</u>
Total United States – 2.9%		\$21,835
TOTAL LOANS – 3.3%		\$24,986
(Cost: \$26,237)		
SHORT-TERM SECURITIES		
Commercial Paper (F) – 3.8%		
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB)		
0.110%, 5–7–15	5,000	4,999
Diageo Capital plc (GTD by Diageo plc)		
0.450%, 4–1–15	6,000	6,000
J.M. Smucker Co. (The)		
0.280%, 4–1–15	4,078	4,078
National Oilwell Varco, Inc.		
0.160%, 5–13–15	4,000	3,999
Novartis Finance Corp. (GTD by Novartis AG)		
0.110%, 4–6–15	10,000	10,000
		<u>29,076</u>

SCHEDULE OF INVESTMENTS

Ivy Global Income Allocation Fund *(in thousands)*

MARCH 31, 2015

SHORT-TERM

SECURITIES (Continued)

	Principal	Value		Value
Master Note – 0.4%			TOTAL INVESTMENT	
Toyota Motor Credit Corp.			SECURITIES – 100.6%	\$769,112
0.130%, 4–1–15 (G)	\$2,830	\$ 2,830	(Cost: \$764,825)	
TOTAL SHORT-TERM			LIABILITIES, NET OF CASH AND	
SECURITIES – 4.2%		\$31,906	OTHER ASSETS – (0.6)%	(4,718)
(Cost: \$31,907)			NET ASSETS – 100.0%	\$764,394

Notes to Schedule of Investments

(A)Principal amounts and exercise price are denominated in the indicated foreign currency, where applicable (AUD - Australian Dollar, BRL - Brazilian Real, CAD - Canadian Dollar, COP - Colombian Peso, MXN - Mexican Peso, MYR - Malaysian Ringgit, NOK - Norwegian Krone, RUB - Russian Ruble and SGD - Singapore Dollar).

(B)Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$79,877 or 10.4% of net assets.

(C)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015.

(D)Payment-in-kind bonds.

(E)Other Government Securities include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(F)Rate shown is the yield to maturity at March 31, 2015.

(G)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered	Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	14,900	U.S. Dollar	22,455	4–13–15 UBS AG	\$355	\$ —
Euro	27,300	U.S. Dollar	29,385	4–13–15 UBS AG	26	—
Japanese Yen	1,471,150	U.S. Dollar	12,144	4–13–15 UBS AG	—	125
					\$381	\$125

The following written options were outstanding at March 31, 2015 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
Crescent Point Energy Corp.	Citibank N.A.	Put	2,000	April 2015	CAD25.00	\$162	\$ (22)
	Citibank N.A.	Call	2,000	April 2015	40.00	32	(4)
	Citibank N.A.	Put	2,000	July 2015	25.00	153	(169)
Helmerich & Payne, Inc.	JPMorgan Chase Bank N.A.	Put	820	June 2015	\$ 57.50	184	(114)
	JPMorgan Chase Bank N.A.	Call	820	June 2015	82.50	61	(41)
						\$592	\$(350)

SCHEDULE OF INVESTMENTS

Ivy Global Income Allocation Fund *(in thousands)*

MARCH 31, 2015

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$500,457	\$ —	\$ —
Investment Funds	13,993	—	—
Preferred Stocks	—	2,907	—
Purchased Options	—	304	—
Corporate Debt Securities	—	167,726	—
Municipal Bonds	—	897	—
Other Government Securities	—	25,936	—
Loans	—	12,466	12,520
Short-Term Securities	—	31,906	—
Total	\$514,450	\$242,142	\$12,520
Forward Foreign Currency Contracts	\$ —	\$ 381	\$ —
Liabilities			
Forward Foreign Currency Contracts	\$ —	\$ 125	\$ —
Written Options	\$ —	\$ 350	\$ —

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Corporate Debt Securities	Loans
Beginning Balance 4-1-14	\$ 4,987	\$ 9,950
Net realized gain (loss)	—	—*
Net change in unrealized appreciation (depreciation)	—	(1,083)
Purchases	—	12,577
Sales	—	(5,024)
Amortization/Accretion of premium/discount	—	12
Transfers into Level 3 during the period	—	1,013
Transfers out of Level 3 during the period	(4,987)	(4,925)
Ending Balance 3-31-15	\$ —	\$12,520
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 3-31-15	—	\$ (1,058)

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. As shown above, transfers in and out of Level 3 represent the values as of the beginning of the reporting period. During the period ended March 31, 2015, there were no transfers between Levels 1 and 2.

Information about Level 3 fair value measurements:

	Fair Value at 3-31-15	Valuation Technique(s)	Unobservable Input(s)
Assets			
Loans	\$12,520	Third-party valuation service	Broker quotes

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts
GTD = Guaranteed
OTC = Over the Counter

Market Sector Diversification			
(as a % of net assets)			
Financials	28.0%	Health Care	5.0%
Consumer Discretionary	14.5%	Information Technology	3.6%
Industrials	12.7%	Utilities	3.5%
Consumer Staples	10.0%	Other Government Securities	3.4%
Energy	6.9%	Telecommunication Services	2.9%
Materials	5.8%	State General Obligation Bonds	0.1%
		Other+	3.6%

+Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Chad A. Gunther

Below, Chad Gunther, portfolio manager of Ivy High Income Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Gunther was appointed portfolio manager of the Fund on July 9, 2014, and has 17 years of industry experience. The Fund was previously managed by William M. Nelson.

Fiscal Year Performance

For the 12 months ended March 31, 2015

Ivy High Income Fund (Class A shares at net asset value)	0.62%
Ivy High Income Fund (Class A shares with sales charge)	-5.13%
Benchmark(s) and/or Lipper Category	
Bank of America Merrill Lynch High Yield Index (reflects the performance of securities generally representing the high-yield sector of the bond market)	2.05%
Lipper High Yield Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	0.59%

Please note that Fund returns include applicable investment fees and expenses, while index returns do not include any such fees. The performance discussion below is at net asset value.

The Fund underperformed its benchmark, but outperformed its Lipper category average for the fiscal year ending March 31, 2015.

Holdings in media and metals & mining, as well as being significantly underweight the energy sector, contributed positively to performance. Investments in financial services and being underweight the banking and utility sectors contributed to the Fund's underperformance. The Fund's holdings were overweight bank loans and lower-tier quality credit securities compared to its Lipper category average, which also affected performance. During the fiscal year, higher-quality debt instruments outperformed lower-quality debt instruments.

Market volatility

The high-yield sector saw a couple periods of profound volatility during the fiscal year. The first round came over the summer after Federal Reserve (Fed) Chair Janet Yellen warned in July that high-yield valuations "appeared to be stretched." The comment supported some already existing anxiety in the market and, as a result, high-yield bond funds ended up recording a total of \$7.9 billion in outflows in July and another \$5.2 billion in outflows during August, according to Morningstar data.

Later in the fiscal year, declining oil prices sparked a second round of volatility as some investors became concerned about potential defaults by high-yield issuers in the energy sector — a sector that accounts for approximately 14% of the high-yield market, according to Barclays data. High-yield mutual funds saw significant outflows throughout December including more than \$3 billion in outflows during the week ending December 17, 2014. During calendar 2014, high-yield outflows topped an estimated \$20 billion, more than twice the previous record of \$8.8 billion in outflows in 2005, according to J.P. Morgan data.

Investor sentiment about the high-yield sector turned more favorable during the Fund's fiscal fourth quarter after the European Central Bank (ECB) announced its quantitative easing bond-buying program on January 2015. The program, which involves the ECB buying \$65 billion (USD) of primarily sovereign debt per month, drove high-quality bond yields lower and fueled demand for higher yielding assets.

Credit selection focus

Questions about the interest rate outlook will likely continue to be an issue across the fixed income market.

Currently, the general expectation in the U.S. is that the Fed will implement the first increase of its benchmark interest rate since the credit crisis of 2007-08 sometime in 2015. Our current view is that the rate increase may not come until the second half of calendar 2015. We would not be surprised if there is only one Fed rate action in calendar 2015 and would expect the next potential move not to come for another six to nine months thereafter.

While interest rate forecasts may continue to introduce relatively brief periods of volatility, we believe that the Fed's likely path with interest rate increases will be very manageable. We currently do not expect the Fed's interest rate actions to present the high-yield market with a substantial headwind.

Beyond the issues related to Fed and ECB policy, it appears that geopolitical uncertainty will likely continue on a number of fronts. During the fiscal fourth quarter alone, we saw a lowering of global growth forecasts, declining oil prices, a bit of a disconnect between the market and the Fed about the likely path of policy, increasing pressures within the European Union, ongoing issues in Russia and the usual tensions in the Middle East. As we have seen in recent years, periods of global uncertainty may have a significant influence on the fixed income market.

Overall, it is our view that the current environment provides further support for the importance of good credit selection in a high-yield credit fund. The core tenet of our research process continues to be focusing on in-depth research of individual issuers with a goal of identifying what we view as favorable risk/reward opportunities.

Macroeconomic factors are a secondary consideration in our investment process. However, we believe it is important to understand there is occasionally a relationship between the two. For example, the Fund is currently overweight the retail sector, an area where we have found what we think are favorable opportunities due, in part, to the strength of the U.S. consumer versus what we are seeing in the rest of the world. Additionally, given the strength of the U.S. dollar, we are currently favoring U.S. companies focused primarily on serving the domestic market over some international credits that we believe may face foreign exchange risk.

The Fund's performance noted above is at net asset value (NAV), and does not include the effect of any applicable sales charges. If reflected, the sales charge would reduce the performance noted. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Fixed-income securities are subject to interest rate risk and, as such, the Fund's net asset value may fall as interest rates rise. Investing in high-income securities may carry a greater risk of non-payment of interest or principal than higher-rated bonds. In addition to the risks typically associated with fixed-income securities, loan participations in which the fund may invest carry other risks including the risk of insolvency of the lending bank or other intermediary. Loan participations may be unsecured or not fully collateralized, may be subject to restrictions on resale and sometimes trade infrequently on the secondary market. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy High Income Fund

PORTFOLIO HIGHLIGHTS

Ivy High Income Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	0.4%
Warrants	0.0%
Bonds	94.5%
Corporate Debt Securities	66.8%
Loans	27.7%
Municipal Bonds	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	5.1%

Lipper Rankings

Category: Lipper High Yield Funds	Rank	Percentile
1 Year	369/621	60
3 Year	49/497	10
5 Year	10/415	3
10 Year	9/281	4

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

Quality Weightings

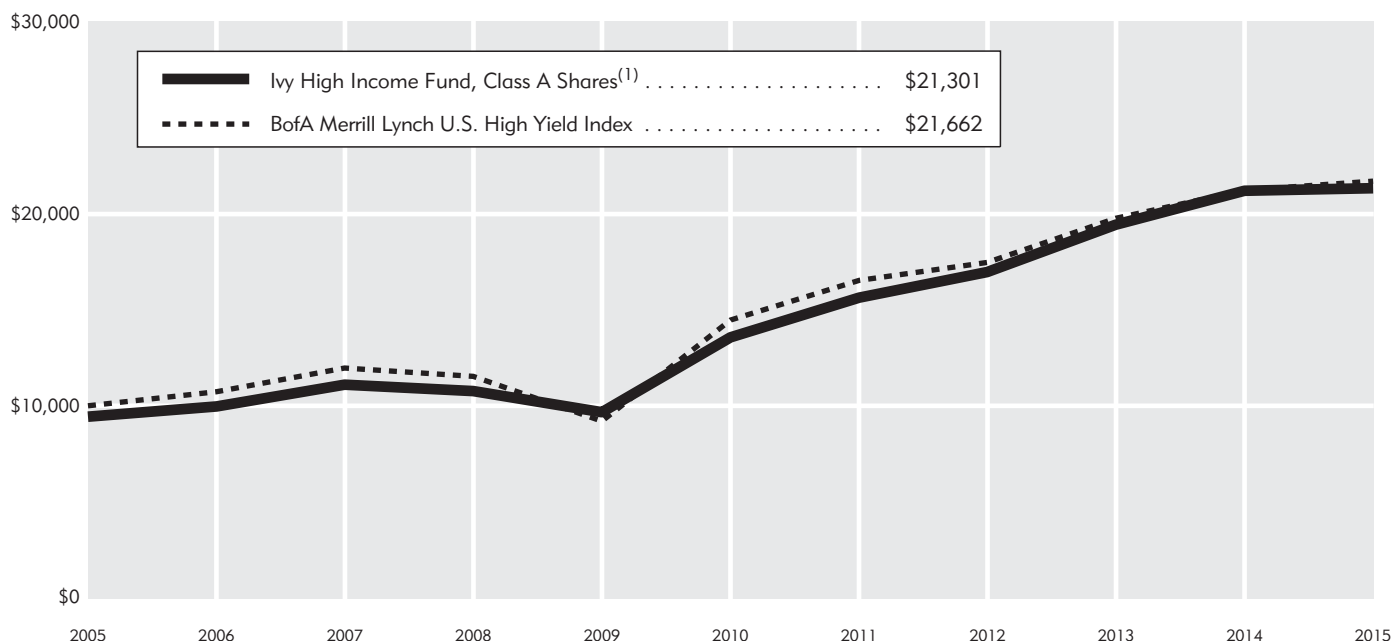
Investment Grade	0.4%
A	0.4%
BBB	0.0%
Non-Investment Grade	94.1%
BB	12.6%
B	33.0%
CCC	45.2%
Non-rated	3.3%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Equities	5.5%

Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy High Income Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1)The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-5.13%	-3.83%	-0.07%	-5.43%	0.88%	0.31%	—	0.64%
5-year period ended 3-31-15	8.15%	8.48%	8.70%	7.76%	9.74%	—	—	9.47%
10-year period ended 3-31-15	7.86%	7.71%	7.71%	—	—	—	—	8.59%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	7.31%	8.94%	5.69%	0.13%	—

(2)Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3)Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4)Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5)4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy High Income Fund (in thousands)

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Casinos & Gaming – 0.0%		
New Cotai Participation Corp., Class B (A)	—*	\$ 579
Housewares & Specialties – 0.0%		
Provo Craft & Novelty, Inc. (A)(B)	3	—
Total Consumer Discretionary – 0.0%		579
Financials		
Specialized Finance – 0.4%		
Maritime Finance Co. Ltd. (A)(B)(C)	1,750	30,730
Total Financials – 0.4%		30,730
TOTAL COMMON STOCKS – 0.4%		\$31,309
(Cost: \$35,649)		
WARRANTS		
Agricultural Products – 0.0%		
ASG Consolidated LLC (D)	13	387
Apparel Retail – 0.0%		
St. John Knits International, Inc. (D)	48	595
TOTAL WARRANTS – 0.0%		\$ 982
(Cost: \$798)		
CORPORATE DEBT SECURITIES		
	Principal	
Consumer Discretionary		
Advertising – 0.9%		
Acosta, Inc., 7.750%, 10–1–22 (E) . . .	\$46,896	48,479
Lamar Media Corp., 5.375%, 1–15–24	9,695	10,107
Outfront Media Capital LLC and Outfront Media Capital Corp.:		
5.250%, 2–15–22	3,959	4,147
5.625%, 2–15–24	7,522	7,879
5.625%, 2–15–24 (E) . . .	690	723
		<u>71,335</u>
Apparel Retail – 2.3%		
Bon-Ton Stores, Inc. (The), 8.000%, 6–15–21	34,038	28,081
Chinos Intermediate Holdings A, Inc., 7.750%, 5–1–19 (E)(F) . .	28,481	24,992
Gymboree Corp. (The), 9.125%, 12–1–18	37,725	17,731
Hot Topic, Inc., 9.250%, 6–15–21 (E) . . .	8,606	9,316

CORPORATE DEBT SECURITIES	Principal	Value
(Continued)		
Apparel Retail (Continued)		
HT Intermediate Holdings Corp., 12.000%, 5–15–19 (E)(F) . . . \$		
	5,848	\$ 5,980
Neiman Marcus Group Ltd., Inc., 8.000%, 10–15–21 (E) . .		
	43,692	46,313
Nine West Holdings, Inc., 8.250%, 3–15–19 (E) . .		
	58,714	48,733
		<u>181,146</u>
Auto Parts & Equipment – 1.4%		
IDQ Acquisition Corp., 14.000%, 10–1–17 (E)(F) . . .		
	29,483	29,486
IDQ Holdings, Inc., 11.500%, 4–1–17 (E) . .		
	36,648	38,480
Midas Intermediate HoldCo II LLC & Midas Intermediate Finance, Inc., 7.875%, 10–1–22 (E) . .		
	26,570	26,105
Schaeffler Finance B.V., 4.250%, 5–15–21 (E) . .		
	14,900	14,826
Schaeffler Holding Finance B.V., 6.875%, 8–15–18 (E)(F)(G) . . EUR		
	1,025	1,152
		<u>110,049</u>
Automobile Manufacturers – 0.2%		
Group 1 Automotive, Inc., 5.000%, 6–1–22 (E) . . \$		
	10,526	10,553
Navistar International Corp., 8.250%, 11–1–21 . . .		
	9,520	9,258
		<u>19,811</u>
Automotive Retail – 0.5%		
Sonic Automotive, Inc., 5.000%, 5–15–23 . . .		
	43,081	42,650
Broadcasting – 2.2%		
Clear Channel Communications, Inc., 10.000%, 1–15–18 . .		
	15,714	13,357
Clear Channel Outdoor Holdings, Inc., 6.500%, 11–15–22 . .		
	47,658	49,957
Clear Channel Worldwide Holdings, Inc., Series A, 7.625%, 3–15–20 . . .		
	3,032	3,138
Clear Channel Worldwide Holdings, Inc., Series B, 7.625%, 3–15–20 . . .		
	10,252	10,790
Cumulus Media, Inc., 7.750%, 5–1–19		
	37,469	36,720

CORPORATE DEBT SECURITIES	Principal	Value
(Continued)		
Broadcasting (Continued)		
iHeartCommunications, Inc. (GTD by iHeartMedia Capital I LLC), 10.625%, 3–15–23 (E) . . \$		
	14,468	\$ 14,468
WideOpenWest Finance LLC and WideOpenWest Capital Corp.:		
10.250%, 7–15–19	23,324	25,073
13.375%, 10–15–19 . . .	20,998	22,468
		<u>175,971</u>
Cable & Satellite – 4.9%		
Altice Financing S.A., 6.625%, 2–15–23 (E) . . .		
	6,992	7,202
Altice S.A.:		
7.250%, 5–15–22 (E)(G) . . . EUR	3,821	4,281
7.750%, 5–15–22 (E) . . . \$	55,674	56,648
6.250%, 2–15–25 (E)(G) . . . EUR	3,496	3,758
7.625%, 2–15–25 (E) . . . \$	19,356	19,392
Cablevision Systems Corp., 5.875%, 9–15–22 . . .		
	30,003	31,428
CCO Holdings LLC and CCO Holdings Capital Corp.:		
5.250%, 3–15–21	2,542	2,602
5.250%, 9–30–22	4,053	4,144
5.125%, 2–15–23	6,054	6,115
5.750%, 9–1–23	1,513	1,581
5.750%, 1–15–24	28,521	29,804
CCOH Safari LLC:		
5.500%, 12–1–22	6,567	6,715
5.750%, 12–1–24	2,350	2,421
Columbus International, Inc., 7.375%, 3–30–21 (E) . . .		
	5,116	5,378
DISH DBS Corp.:		
6.750%, 6–1–21	19,335	20,592
5.875%, 7–15–22	10,630	10,803
5.000%, 3–15–23	5,265	5,119
Sirius XM Radio, Inc.:		
5.875%, 10–1–20 (E)	12,183	12,701
5.750%, 8–1–21 (E) . . .	5,854	6,092
4.625%, 5–15–23 (E) . . .	52,613	50,640
6.000%, 7–15–24 (E) . . .	4,000	4,200
VTR Finance B.V., 6.875%, 1–15–24 (E)		
	77,161	80,055
Wave Holdco LLC and Wave Holdco Corp., 8.250%, 7–15–19 (E)(F)		
	7,579	7,759
WaveDivision Escrow LLC and WaveDivision Escrow Corp., 8.125%, 9–1–20 (E) . . .		
	11,032	11,928
		<u>391,358</u>

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Casinos & Gaming – 1.0%		
Gateway Casinos & Entertainment Ltd., 8.500%, 11–26–20 (E)(G) CAD	18,556	\$ 14,832
MCE Finance Ltd., 5.000% 2–15–21 (E) .. \$	40,217	37,603
Wynn Macau Ltd., 5.250% 10–15–21 (E) ..	29,504	27,955
		<u>80,390</u>
Catalog Retail – 0.1%		
Argos Merger Sub, Inc., 7.125% 3–15–23 (E) ..	4,184	4,336
Distributors – 1.0%		
Pinnacle Operating Corp., 9.000%, 11–15–20 (E) ...	78,221	79,003
Education Services – 2.1%		
Laureate Education, Inc., 10.000%, 9–1–19 (E)(H) ..	180,706	170,767
Leisure Facilities – 0.3%		
Palace Entertainment Holdings LLC, 8.875%, 4–15–17 (E)	20,302	20,607
Movies & Entertainment – 0.9%		
AMC Entertainment, Inc., 5.875% 2–15–22 ..	10,732	11,135
Cinemark USA, Inc.: 5.125% 12–15–22 ..	7,087	7,193
4.875% 6–1–23 ..	29,237	29,091
WMG Acquisition Corp.: 5.625% 4–15–22 (E) ..	3,800	3,814
6.750% 4–15–22 (E) ..	25,615	24,270
		<u>75,503</u>
Specialized Consumer Services – 2.7%		
AA Bond Co. Ltd., 9.500%, 7–31–19 (E)(G) .. GBP	11,070	18,186
B-Corp Merger Sub, Inc., 8.250% 6–1–19 .. \$	88,366	76,658
Carlson Travel Holdings, 7.500%, 8–15–19 (E)(F) ..	18,974	19,211
Carlson Wagonlit B.V.: 6.875% 6–15–19 (E) ..	25,712	26,933
7.500%, 6–15–19 (E)(G) . EUR	12,963	14,775
Emdeon, Inc., 11.000% 12–31–19 .. \$	13,500	14,732

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Specialized Consumer Services (Continued)		
Lansing Trade Group, 9.250% 2–15–19 (E) ... \$	11,949	\$ 11,859
Nielsen Finance, 5.500%, 10–1–21 (E)	10,651	10,997
Nielsen Finance LLC and Nielsen Finance Co., 5.000% 4–15–22 (E) ...	26,539	26,705
		<u>220,056</u>
Specialty Stores – 2.6%		
Academy Ltd. and Academy Finance Corp., 9.250% 8–1–19 (E) ...	8,162	8,652
Jo-Ann Stores Holdings, Inc., 9.750%, 10–15–19 (E)(F) ..	101,532	98,486
Jo-Ann Stores, Inc., 8.125% 3–15–19 (E) ...	14,833	14,907
New Academy Finance Co. LLC, 8.000%, 6–15–18 (E)(F) ...	46,925	46,925
PC Nextco Holdings LLC and PC Nextco Finance, Inc., 8.750% 8–15–19 (F) ...	18,924	19,255
Spencer Spirit Holdings, Inc., 9.000%, 5–1–18 (E)(F)	18,483	18,737
		<u>206,962</u>
Total Consumer Discretionary – 23.1%		1,849,944
Consumer Staples		
Agricultural Products – 0.3%		
American Seafoods Group LLC, 10.750% 5–15–16 (E) ..	4,968	4,658
ASG Consolidated LLC, 15.000%, 5–15–17 (E)(F) ...	33,164	21,722
		<u>26,380</u>
Food Distributors – 0.8%		
Simmons Foods, Inc., 7.875% 10–1–21 (E) ...	62,543	61,761
Packaged Foods & Meats – 1.1%		
Bumble Bee Foods LLC, 9.625%, 3–15–18 (E)(F) ...	23,438	24,200
JBS USA LLC and JBS USA Finance, Inc., 5.875% 7–15–24 (E) ...	56,616	57,324
Post Holdings, Inc., 7.375% 2–15–22 ..	5,532	5,725
		<u>87,249</u>

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Tobacco – 0.4%		
Prestige Brands, Inc., 5.375% 12–15–21 (E)	\$35,691	\$ 36,182
Total Consumer Staples – 2.6%		211,572
Energy		
Coal & Consumable Fuels – 0.6%		
Foresight Energy LLC and Foresight Energy Finance Corp., 7.875% 8–15–21 (E)	46,559	46,443
Oil & Gas Drilling – 0.2%		
KCA DEUTAG UK Finance plc, 7.250% 5–15–21 (E)	20,636	16,302
Oil & Gas Equipment & Services – 0.5%		
Brand Energy & Infrastructure Services, 8.500% 12–1–21 (E)	42,371	39,723
Seventy Seven Energy, Inc., 6.500% 7–15–22	9,093	4,228
		<u>43,951</u>
Oil & Gas Exploration & Production – 0.8%		
California Resources Corp., 6.000% 11–15–24 (E)	29,492	25,842
Chesapeake Energy Corp.: 3.503% 4–15–19 (H) ..	6,614	6,366
4.875% 4–15–22	9,286	8,706
Crownrock L.P., 7.750% 2–15–23 (E) ..	4,872	4,933
Parsley Energy LLC and Parsley Finance Corp., 7.500% 2–15–22 (E) ..	8,385	8,469
Rice Energy, Inc., 7.250% 5–1–23 (E) ...	7,594	7,594
Whiting Petroleum Corp., 5.750% 3–15–21	5,553	5,511
		<u>67,421</u>
Oil & Gas Refining & Marketing – 1.3%		
Offshore Drilling Holding S.A., 8.375% 9–20–20 (E)(H)	52,576	42,113
Offshore Group Investment Ltd.: 7.500% 11–1–19	42,700	24,339
7.125% 4–1–23	18,084	10,150
Shelf Drilling Holdings Ltd., 8.625% 11–1–18 (E) ..	29,493	24,111
		<u>100,713</u>
Total Energy – 3.4%		274,830
Financials		
Consumer Finance – 1.2%		
Creditcorp, 12.000% 7–15–18 (E) ...	40,520	36,063

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Consumer Finance (Continued)		
Speedy Cash Intermediate Holdings Corp., 10.750%, 5-15-18 (E) . . . \$	48,030	\$ 46,709
Speedy Group Holdings Corp., 12.000%, 11-15-17 (E) . .	14,715	13,611
		<u>96,383</u>
Diversified Capital Markets – 1.1%		
JLL /Delta Dutch Newco B.V., 7.500%, 2-1-22 (E) . .	15,644	16,270
Patriot Merger Corp., 9.000%, 7-15-21 (E) . . .	70,980	72,577
		<u>88,847</u>
Investment Banking & Brokerage – 0.3%		
GFI Group, Inc., 9.625%, 7-19-18 (H) . .	22,679	24,125
Other Diversified Financial Services – 4.5%		
AA PIK Co. Ltd., 9.500%, 11-7-19 (E)(F)(G) . . GBP	22,500	34,144
AAF Holdings LLC and AAF Finance Co., 12.000%, 7-1-19 (E)(F) . . . \$	23,465	22,057
Abengoa Finance SAU, 7.750%, 2-1-20 (E) . .	52,600	50,496
Balboa Merger Sub, Inc., 11.375%, 12-1-21 (E) . .	97,192	98,407
Greektown Holdings LLC and Greektown Mothership Corp., 8.875%, 3-15-19 (E) . . .	30,635	32,320
New Cotai LLC and New Cotai Capital Corp., 10.625%, 5-1-19 (E)(F) . . .	72,097	71,718
TransUnion Holding Co., Inc., 8.125%, 6-15-18 (F) . . .	6,101	6,261
TransUnion LLC and TransUnion Financing Corp., 9.625%, 6-15-18 (F) . . .	42,495	42,920
		<u>358,323</u>
Property & Casualty Insurance – 1.6%		
Hub International Ltd., 7.875%, 10-1-21 (E) . . .	28,549	29,263
Onex USI Acquisition Corp., 7.750%, 1-15-21 (E) . . .	94,127	96,480
		<u>125,743</u>

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Real Estate Development – 0.3%		
Hub Holdings LLC and Hub Holdings Finance, Inc., 8.125%, 7-15-19 (E)(F)	\$24,164	\$ 23,983
Real Estate Services – 0.4%		
Stearns Holdings, Inc., 9.375%, 8-15-20 (E) . . .	28,640	28,210
Specialized Finance – 1.2%		
Consolidated Communications Finance II Co., 6.500%, 10-1-22 (E) . .	18,398	18,628
Flexi-Van Leasing, Inc., 7.875%, 8-15-18 (E) . .	25,687	26,072
TMX Finance LLC and TitleMax Finance Corp., 8.500%, 9-15-18 (E) . .	74,555	52,934
		<u>97,634</u>
Specialized REITs – 0.9%		
Aircastle Ltd., 5.125%, 3-15-21	9,597	10,029
5.500%, 2-15-22	15,473	16,459
CNL Lifestyles Properties, Inc., 7.250%, 4-15-19	46,623	47,556
		<u>74,044</u>
Thriffs & Mortgage Finance – 0.4%		
Provident Funding Associates L.P. and PFG Finance Corp., 6.750%, 6-15-21 (E) . .	35,860	34,157
Total Financials – 11.9%		951,449
Health Care		
Health Care Equipment – 0.1%		
Mallinckrodt International Finance S.A. and Mallinckrodt CB LLC, 5.750%, 8-1-22 (E) . . .	5,591	5,773
Health Care Facilities – 2.1%		
Acadia Healthcare Co., Inc., 5.625%, 2-15-23 (E) . .	2,767	2,815
AmSurg Corp., 5.625%, 11-30-20	4,498	4,588
AmSurg Escrow Corp., 5.625%, 7-15-22	7,939	8,118
Capsugel S.A., 7.000%, 5-15-19 (E)(F)	17,583	17,869
ConvaTec Finance International S.A., 8.250%, 1-15-19 (E)(F)	27,648	27,994
FWCT-2 Escrow Corp., 6.875%, 2-1-22	6,234	6,631

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Health Care Facilities (Continued)		
MPH Acquisition Holdings LLC, 6.625%, 4-1-22 (E) . . .	\$23,019	\$ 23,853
Physio-Control International, Inc., 9.875%, 1-15-19 (E) . .	10,936	11,619
Tenet Healthcare Corp., 8.125%, 4-1-22	60,164	66,331
		<u>169,818</u>
Health Care Services – 1.1%		
MedImpact Holdings, Inc., 10.500%, 2-1-18 (E) . .	51,111	53,794
Truven Health Analytics, Inc., 10.625%, 6-1-20	23,101	24,256
10.625%, 6-1-20 (E) . .	5,948	6,246
		<u>84,296</u>
Health Care Supplies – 0.7%		
Ortho-Clinical Diagnostics, 6.625%, 5-15-22 (E) . .	60,178	53,408
Pharmaceuticals – 0.6%		
Salix Pharmaceuticals Ltd., 6.500%, 1-15-21 (E)(H) . .	14,744	16,347
VRX Escrow Corp., 5.375%, 3-15-20 (E) . .	13,875	14,014
5.875%, 5-15-23 (E) . .	13,875	14,222
6.125%, 4-15-25 (E) . .	6,937	7,188
		<u>51,771</u>
Total Health Care – 4.6%		365,066
Industrials		
Aerospace & Defense – 2.6%		
Silver II Borrower SCA and Silver II U.S. Holdings, 7.750%, 12-15-20 (E) . . .	76,607	68,372
TransDigm Group, Inc., 5.500%, 10-15-20	8,899	8,788
7.500%, 7-15-21	22,192	23,856
TransDigm, Inc., 6.000%, 7-15-22	48,957	48,896
6.500%, 7-15-24	54,313	54,584
		<u>204,496</u>
Air Freight & Logistics – 0.3%		
TRAC Intermodal LLC and TRAC Intermodal Corp., 11.000%, 8-15-19	22,190	24,298
Building Products – 1.6%		
CPG Merger Sub LLC, 8.000%, 10-1-21 (E) . .	24,560	24,928
Ply Gem Industries, Inc., 6.500%, 2-1-22	56,389	54,575
Roofing Supply Group LLC and Roofing Supply Finance, Inc., 10.000%, 6-1-20 (E) . .	42,909	41,944

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Building Products (Continued)		
USG Corp., 5.500%, 3-1-25 (E) ...	\$ 6,976	\$ 7,116
		<u>128,563</u>
Diversified Support Services – 0.8%		
Algeco Scotsman Global Finance plc: 8.500%, 10-15-18 (E) ..	16,656	16,510
10.750%, 10-15-19 (E) ..	25,060	20,549
Nexeo Solutions LLC, 8.375%, 3-1-18	26,024	23,227
		<u>60,286</u>
Environmental & Facilities Services – 0.3%		
GFL Environmental, Inc., 7.875%, 4-1-20 (E) ...	27,779	28,057
Railroads – 0.6%		
Florida East Coast Holdings Corp. and Florida East Coast Industries LLC: 6.750%, 5-1-19 (E) ...	36,639	36,914
9.750%, 5-1-20 (E) ...	15,221	14,802
		<u>51,716</u>
Trading Companies & Distributors – 0.2%		
HD Supply, Inc., 11.500%, 7-15-20	13,274	15,431
Total Industrials – 6.4%		512,847
Information Technology		
Application Software – 0.5%		
Epicor Software Corp., 8.625%, 5-1-19	18,240	19,061
Infor Software Parent LLC and Infor Software Parent, Inc., 7.125%, 5-1-21 (E)(F) ...	25,196	24,952
		<u>44,013</u>
Communications Equipment – 0.9%		
Eagle Midco, Inc., 9.000%, 6-15-18 (E)(F) ..	67,990	69,265
Data Processing & Outsourced Services – 0.9%		
Alliance Data Systems Corp.: 6.375%, 4-1-20 (E) ...	29,388	30,416
5.375%, 8-1-22 (E) ...	40,381	40,280
		<u>70,696</u>
Electronic Manufacturing Services – 0.2%		
KEMET Corp., 10.500%, 5-1-18	19,418	19,855
Internet Software & Services – 0.2%		
J2 Global, Inc., 8.000%, 8-1-20	11,127	12,017

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
IT Consulting & Other Services – 0.7%		
NCR Escrow Corp.: 5.875%, 12-15-21	\$24,601	\$ 25,647
6.375%, 12-15-23	25,049	26,677
		<u>52,324</u>
Semiconductors – 0.4%		
Micron Technology, Inc.: 5.875%, 2-15-22	29,790	31,444
5.500%, 2-1-25 (E) ...	1,943	1,957
		<u>33,401</u>
Technology Distributors – 0.8%		
Sophia L.P. and Sophia Finance, Inc.: 9.625%, 12-1-18 (E)(F) ..	41,417	41,831
9.750%, 1-15-19 (E)	22,877	24,536
		<u>66,367</u>
Total Information Technology – 4.6%		367,938
Materials		
Aluminum – 1.6%		
Constellium N.V.: 8.000%, 1-15-23 (E)	34,437	36,073
5.750%, 5-15-24 (E)	18,523	17,504
Wise Metals Group LLC, 8.750%, 12-15-18 (E) ...	25,439	27,029
Wise Metals Intermediate Holdings, 9.750%, 6-15-19 (E)(F) ..	44,476	48,090
		<u>128,696</u>
Construction Materials – 0.7%		
Hillman Group, Inc. (The), 6.375%, 7-15-22 (E)	53,058	53,058
Diversified Metals & Mining – 1.2%		
Artsonig Pty Ltd., 11.500%, 4-1-19 (E)(F) ..	39,118	32,468
Compass Minerals International, Inc., 4.875%, 7-15-24 (E)	4,378	4,389
Crystal Merger Sub, Inc., 7.625%, 10-15-21 (E) ...	7,359	7,359
FMG Resources Pty Ltd.: 6.875%, 2-1-18 (E) ...	1,543	1,512
8.250%, 11-1-19 (E) ..	17,042	14,401
6.875%, 4-1-22 (E) ...	21,384	15,797
Lundin Mining Corp.: 7.500%, 11-1-20 (E) ..	11,178	11,681
7.875%, 11-1-22 (E) ..	12,230	12,750
		<u>100,357</u>
Metal & Glass Containers – 1.9%		
Ardagh Finance Holdings, 8.625%, 6-15-19 (E)(F) ..	28,404	29,594
Ardagh Packaging Finance plc and Ardagh Holdings USA, Inc., 6.000%, 6-30-21 (E) ..	11,126	10,931

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Metal & Glass Containers (Continued)		
BlueScope Steel (Finance) Ltd. and BlueScope Steel Finance (USA) LLC, 7.125%, 5-1-18 (E) ...	\$30,837	\$ 31,916
Consolidated Container Co. LLC and Consolidated Container Capital, Inc., 10.125%, 7-15-20 (E) ...	52,886	46,011
Signode Industrial Group, 6.375%, 5-1-22 (E) ...	31,826	31,627
		<u>150,079</u>
Paper Packaging – 0.4%		
Beverage Packaging Holdings II Issuer, Inc. and Beverage Packaging Holdings (Luxembourg) II S.A., 6.000%, 6-15-17 (E) ...	19,988	20,138
Exopack Holdings S.A., 7.875%, 11-1-19 (E) ...	9,310	9,519
		<u>29,657</u>
Precious Metals & Minerals – 0.3%		
Prince Mineral Holding Corp., 11.500% 12-15-19 (E)(H) ...	28,421	27,497
Total Materials – 6.1%		489,344
Telecommunication Services		
Alternative Carriers – 0.5%		
Level 3 Communications, Inc., 5.750%, 12-1-22	12,412	12,710
Level 3 Escrow II, Inc., 5.375%, 8-15-22	30,910	31,808
		<u>44,518</u>
Integrated Telecommunication Services – 1.6%		
BCP (Singapore) VI Cayman Financing Co. Ltd., 8.000%, 4-15-21 (E) ...	9,502	9,336
CenturyLink, Inc., 5.625%, 4-1-20	12,409	13,029
Frontier Communications Corp.: 6.250%, 9-15-21	15,908	15,987
7.125%, 1-15-23	8,443	8,633
6.875%, 1-15-25	9,727	9,630
GCI, Inc., 6.875%, 4-15-25 (E) ..	27,591	27,798
Sprint Corp.: 7.250%, 9-15-21	39,534	39,732
7.875%, 9-15-23	1,112	1,134
		<u>125,279</u>

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Wireless Telecommunication Service – 1.7%		
Digicel Group Ltd., 8.250%, 9–30–20 (E) ..	\$35,962	\$ 36,016
Telecom Italia S.p.A., 5.303%, 5–30–24 (E) ..	13,821	14,478
T-Mobile USA, Inc.:		
6.464%, 4–28–19 ...	9,198	9,485
6.542%, 4–28–20 ...	14,724	15,497
6.633%, 4–28–21 ...	24,320	25,475
6.125%, 1–15–22 ...	2,464	2,541
6.731%, 4–28–22 ...	7,891	8,305
6.000%, 3–1–23	13,041	13,363
6.500%, 1–15–24 ...	1,411	1,475
6.375%, 3–1–25	6,045	6,238
		<u>132,873</u>
Total Telecommunication Services – 3.8%		302,670

Utilities		
Renewable Electricity – 0.3%		
Abengoa Yield plc, 7.000%, 11–15–19 (E) ..	23,050	23,742
		<u>23,742</u>
Total Utilities – 0.3%		23,742

TOTAL CORPORATE DEBT SECURITIES – 66.8%

(Cost: \$5,479,387)

MUNICIPAL BONDS

New York – 0.0%		
NYC Indl Dev Agy, Rental Rev Bonds (Yankee Stadium Proj.), Ser 2009, 11.000%, 3–1–29 (E) ...	1,875	2,679

TOTAL MUNICIPAL BONDS – 0.0%

(Cost: \$1,875)

LOANS (H)

Consumer Discretionary		
Advertising – 0.2%		
Advantage Sales & Marketing, Inc., 7.500%, 7–25–22	18,474	18,470
Apparel Retail – 2.2%		
Gymboree Corp. (The), 5.000%, 2–23–18	7,880	5,981
Hoffmaster Group, Inc., 10.000%, 5–9–21	30,368	29,951
Nine West Holdings, Inc., 6.250%, 1–8–20	47,279	39,557
Tailbots, Inc. (The): 4.750%, 3–17–20	9,546	9,332
8.250%, 3–17–21	23,642	22,637

LOANS (H)

(Continued)	Principal	Value
Apparel Retail (Continued)		
True Religion Apparel, Inc.: 5.875%, 7–30–19	\$ 76,940	\$ 68,732
		<u>176,190</u>
Auto Parts & Equipment – 0.3%		
Direct ChassisLink, Inc., 8.250%, 11–7–19	23,580	22,802
Casinos & Gaming – 0.3%		
Centaur Acquisition LLC, 8.750%, 2–20–20	9,821	9,895
Gateway Casinos & Entertainment Ltd.: 5.348%, 11–26–19 (G) ..	CAD 14,794	11,607
6.016%, 11–26–19 (G) ..	38	29
		<u>21,531</u>

General Merchandise Stores – 1.4%		
BJ's Wholesale Club, Inc., 8.500%, 3–31–20	\$ 44,836	44,462
Orchard Acquisition Co. LLC, 7.000%, 2–8–19	65,311	63,352
		<u>107,814</u>

Housewares & Specialties – 0.5%		
KIK Custom Products, Inc.: 5.500%, 4–29–19	10,994	10,980
9.500%, 10–29–19 ...	31,814	31,799
Provo Craft & Novelty, Inc., 15.000%, 3–2–16 (F) ..	8,354	—
		<u>42,779</u>

Movies & Entertainment – 0.9%		
Formula One Holdings Ltd. and Delta Two S.a.r.l., 7.750%, 7–29–22	70,598	70,127
Yonkers Racing Corp., 8.750%, 8–20–20	3,500	3,150
		<u>73,277</u>

Restaurants – 0.4%		
TGI Friday's, Inc.: 5.250%, 7–15–20	2,481	2,478
9.250%, 7–15–21	26,957	26,991
		<u>29,469</u>

Specialized Consumer Services – 0.1%		
Wand Intermediate I L.P., 8.250%, 9–17–22 ...	11,035	11,035

Total Consumer Discretionary – 6.3%

503,367

LOANS (H)

(Continued)	Principal	Value
Consumer Staples		
Food Distributors – 0.3%		
Performance Food Group, Inc., 6.250%, 11–14–19	\$25,659	\$ 25,680
Food Retail – 0.5%		
Focus Brands, Inc., 10.250%, 8–21–18	36,399	36,399
Hypermarkets & Super Centers – 0.3%		
GOBP Holdings, Inc., 9.250%, 10–21–22	20,658	20,296
Packaged Foods & Meats – 0.2%		
Shearer's Foods LLC, 7.750%, 6–30–22	18,980	18,719
		<u>101,094</u>

Energy		
Coal & Consumable Fuels – 0.3%		
Westmoreland Coal Co., 7.500%, 12–16–20	26,317	26,251

Oil & Gas Drilling – 0.4%		
KCA Deutag Alpha Ltd., 6.250%, 5–16–20	33,898	28,361

Oil & Gas Equipment & Services – 0.2%		
Regent Purchaser Investment, Inc., 6.000%, 8–14–21	25,794	19,330

Oil & Gas Exploration & Production – 0.3%		
Callon Petroleum Co.: 0.000%, 10–8–21 (I) ..	10,878	10,565
8.500%, 10–8–21	6,809	6,613
Sabine Oil & Gas LLC, 8.750%, 12–31–18	13,548	6,626
		<u>23,804</u>

Oil & Gas Refining & Marketing – 0.9%		
Fieldwood Energy LLC, 8.375%, 9–30–20	47,796	34,858
Shelf Drilling Midco Ltd., 10.000%, 10–8–18 (F) ...	60,366	40,747
		<u>75,605</u>

Oil & Gas Storage & Transportation – 0.9%		
Bowie Resources Holdings LLC: 6.750%, 8–12–20	43,239	42,212
11.750%, 2–16–21	26,759	25,688
		<u>67,900</u>

Total Energy – 3.0%

241,251

Financials

Consumer Finance – 0.2%		
TransFirst, Inc., 9.000%, 11–12–22	14,395	14,413

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

LOANS (H) (Continued)	Principal	Value	LOANS (H) (Continued)	Principal	Value	LOANS (H) (Continued)	Principal	Value
Other Diversified Financial Services – 0.6%			Diversified Support Services – 0.3%			Internet Software & Services (Continued)		
WP Mustang Holdings LLC:			Sprint Industrial Holdings LLC:			W3 Co.,		
5.500%, 5–29–21	\$21,860	\$ 21,914	7.000%, 5–14–19	\$ 20,481	\$ 19,150	9.250%, 9–1–20	\$11,387	\$ 10,362
8.500%, 5–29–22	29,925	29,121	11.250%, 5–14–19	8,465	7,957			87,385
		51,035			27,107	IT Consulting & Other Services – 1.3%		
Total Financials – 0.8%		65,448	Environmental & Facilities Services – 0.1%			Active Network, Inc. (The):		
Health Care			Brickman Group Ltd. (The),			5.500%, 11–15–20	20,309	20,216
Health Care Facilities – 0.5%			7.500%, 12–18–21	7,789	7,799	9.500%, 11–15–21	42,964	41,031
Surgery Center Holdings, Inc.:			Industrial Conglomerates – 0.1%			Triple Point Group Holdings, Inc.:		
5.250%, 11–3–20	2,461	2,465	Crosby Worldwide Ltd.,			5.250%, 7–13–20	28,188	25,439
8.500%, 11–3–21	37,505	36,974	7.000%, 11–22–21	12,913	11,364	9.250%, 7–13–21	24,243	20,728
		39,439						107,414
Health Care Services – 0.4%			Industrial Machinery – 1.4%			Total Information Technology – 6.7%		
Accellent, Inc.,			Capital Safety North America Holdings, Inc.,					537,587
7.500%, 3–12–22	19,176	18,169	6.500%, 3–28–22	41,674	40,771	Materials		
Ikaria, Inc.,			Dynacast International LLC,			Construction Materials – 1.0%		
8.750%, 2–12–22	13,557	13,710	9.500%, 1–30–23	48,836	49,324	Quickrete Holdings, Inc.,		
		31,879	NN, Inc.,			7.000%, 3–30–21	7,006	7,042
Health Care Supplies – 0.4%			6.000%, 8–29–21	8,988	8,988	U.S. LBM Holdings LLC:		
Sage Products Holdings III LLC,			United Central Industrial Supply Co. LLC,			8.000%, 5–2–20	74,382	73,080
9.250%, 6–13–20	30,549	30,816	7.500%, 10–9–18	16,543	14,392			80,122
					113,475	Diversified Metals & Mining – 0.3%		
Health Care Technology – 0.3%			Research & Consulting Services – 0.6%			EP Minerals LLC:		
Vitera Healthcare Solutions LLC:			Larchmont Resources LLC,			5.500%, 8–20–20	12,564	12,564
6.000%, 11–4–20	14,190	14,190	8.250%, 8–7–19	49,136	44,059	8.500%, 8–20–21	12,375	12,313
9.250%, 11–4–21	11,652	11,361						24,877
		25,551	Total Industrials – 4.2%			Metal & Glass Containers – 0.1%		
Life Sciences Tools & Services – 0.4%					340,677	Consolidated Container Co. LLC,		
Atrium Innovations, Inc.,			Information Technology			7.750%, 1–3–20	11,387	10,533
7.750%, 8–10–21	40,260	37,039	Application Software – 4.2%			Paper Packaging – 0.7%		
Total Health Care – 2.0%		164,724	Applied Systems, Inc.,			FPC Holdings, Inc.,		
Industrials			7.500%, 1–23–22	34,872	34,752	9.250%, 5–27–20	32,147	30,379
Air Freight & Logistics – 0.3%			Aptean Holdings, Inc.:			Ranpak (Rack Merger),		
DAE Aviation Holdings, Inc.,			5.250%, 2–27–20	23,382	22,856	8.250%, 10–1–22	22,983	22,944
7.750%, 8–5–19	23,832	23,862	8.500%, 2–27–21	15,746	15,103			53,323
			Misys plc and Magic Newco LLC,			Specialty Chemicals – 0.8%		
Building Products – 1.1%			12.000%, 6–12–19	208,077	226,284	Chemstralia Ltd.,		
GYP Holdings III Corp.:			TIBCO Software, Inc.,			7.250%, 2–26–22	43,466	42,597
4.750%, 4–1–21	13,466	13,104	6.500%, 12–4–20	35,785	35,751	Chromaflo Technologies Corp.,		
7.750%, 4–1–22	50,245	49,240			334,746	8.250%, 6–2–20	21,318	20,892
Hampton Rubber Co. & SEI Holding Corp.,			Data Processing & Outsourced Services – 0.1%					63,489
9.000%, 3–27–22	35,500	28,400	Sedgwick Claims Management Services, Inc.,			Total Materials – 2.9%		
		90,744	6.750%, 2–28–22	8,270	8,042			232,344
Construction & Engineering – 0.3%			Internet Software & Services – 1.1%			Telecommunication Services		
Tensor International Corp.:			TravelCLICK, Inc. & TCH-2 Holdings LLC:			Alternative Carriers – 0.2%		
5.750%, 7–10–21	11,374	10,464	5.500%, 5–12–21	38,945	38,848	Cable & Wireless Communications,		
9.500%, 7–10–22	15,197	11,803	8.750%, 11–12–21	39,154	38,175	6.500%, 12–31–16	14,338	14,374
		22,267				Total Telecommunication Services – 0.2%		14,374

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

LOANS (H) (Continued)		Principal	Value	SHORT-TERM SECURITIES		Principal	Value	SHORT-TERM SECURITIES		Principal	Value
Utilities				Bemis Co., Inc.:				PacifiCorp,			
Independent Power Producers & Energy				0.520%, 4-17-15		\$ 7,000	\$ 6,998	0.550%, 4-2-15		\$10,000	\$ 10,000
Traders – 0.3%				0.510%, 4-20-15		11,000	10,997	Sherwin-Williams Co.			
Alinta Energy Finance				Clorox Co. (The),				(The),			
PTY Ltd.:				0.420%, 4-13-15		5,000	4,999	0.300%, 4-27-15 ...		10,000	9,998
0.000%, 8-13-19 (I) ...		\$ 996	\$ 995	CVS Caremark Corp.,				Walgreens Boots			
6.375%, 8-13-19 ...		20,520	20,494	0.450%, 4-10-15		3,000	3,000	Alliance, Inc.,			
			21,489	Diageo Capital plc (GTD by				0.500%, 4-10-15 ...		8,380	8,379
				Diageo plc):							192,649
				0.470%, 4-6-15		10,000	9,999	TOTAL SHORT-TERM			
				0.620%, 4-10-15		25,000	24,996	SECURITIES – 2.4%			\$ 192,649
Total Utilities – 0.3%			21,489	Ecolab, Inc.:				(Cost: \$192,652)			
				0.480%, 4-9-15		7,000	6,999	TOTAL INVESTMENT			
TOTAL LOANS – 27.7%			\$2,222,355	0.540%, 4-22-15		5,000	4,998	SECURITIES – 97.3%			\$7,799,376
(Cost: \$2,316,017)				General Mills, Inc.:				(Cost: \$8,026,378)			
SHORT-TERM				0.470%, 4-7-15		11,000	10,999	CASH AND OTHER ASSETS, NET			
SECURITIES				0.450%, 4-13-15		5,000	4,999	OF LIABILITIES (K) – 2.7%			215,608
Commercial Paper (J) – 2.4%				0.550%, 4-23-15		14,100	14,095				
Baxter International,				J.M. Smucker Co. (The),				NET ASSETS – 100.0%			\$8,014,984
Inc.,				0.280%, 4-1-15		1,794	1,794				
0.630%, 4-13-15 ...		25,000	24,994	Mondelez International, Inc.:							
Becton Dickinson & Co.:				0.400%, 4-2-15		3,000	3,000				
0.430%, 4-2-15		1,408	1,408	0.470%, 4-9-15		10,000	9,999				
0.440%, 4-7-15		10,000	9,999	NBCUniversal Enterprise, Inc.,							
				0.500%, 4-9-15		10,000	9,999				

Notes to Schedule of Investments

*Not shown due to rounding.

(A) No dividends were paid during the preceding 12 months.

(B) Restricted securities. At March 31, 2015, the Fund owned the following restricted securities:

Security	Acquisition Date(s)	Shares	Cost	Market Value
Maritime Finance Co. Ltd.	9-19-13	1,750	\$35,000	\$30,730
Provo Craft & Novelty, Inc.	9-15-11	3	1	—
			<u>\$35,001</u>	<u>\$30,730</u>

The total value of these securities represented 0.4% of net assets at March 31, 2015.

(C) Deemed to be an affiliate due to the Fund owning at least 5% of the voting securities.

(D) Warrants entitle the Fund to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date, if any.

(E) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$3,865,640 or 48.2% of net assets.

(F) Payment-in-kind bonds.

(G) Principal amounts are denominated in the indicated foreign currency, where applicable (CAD - Canadian Dollar, EUR - Euro and GBP - British Pound).

(H) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015.

(I) All or a portion of this position has not settled. Full contract rates do not take effect until settlement date.

(J) Rate shown is the yield to maturity at March 31, 2015.

(K) Cash of \$2,660 is held in collateralized accounts for OTC derivatives collateral as governed by International Swaps and Derivatives Association, Inc. Master Agreements.

SCHEDULE OF INVESTMENTS

Ivy High Income Fund *(in thousands)*

MARCH 31, 2015

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered	Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	35,073	U.S. Dollar	4-13-15	Morgan Stanley International	\$838	\$—
Canadian Dollar	33,036	U.S. Dollar	4-13-15	Morgan Stanley International	74	—
Euro	22,017	U.S. Dollar	4-13-15	Morgan Stanley International	21	—
					<u>\$933</u>	<u>\$—</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks			
Consumer Discretionary	\$—	\$ —	\$ 579
Financials	—	—	30,730
Total Common Stocks	\$—	\$ —	\$ 31,309
Warrants	—	387	595
Corporate Debt Securities	—	5,349,402	—
Municipal Bonds	—	2,679	—
Loans	—	1,749,713	472,642
Short-Term Securities	—	192,649	—
Total	\$—	\$7,294,830	\$504,546
Forward Foreign Currency Contracts	\$—	\$ 933	\$ —

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Common Stocks	Warrants	Corporate Debt Securities	Loans
Beginning Balance 4-1-14	\$36,986	\$ 2,207	\$ 162,118	\$ 842,657
Net realized gain (loss)	—	—	—	504
Net change in unrealized appreciation (depreciation)	(5,677)	—	—	(24,928)
Purchases	—	—	—	262,982
Sales	—	—	—	(309,344)
Amortization/Accretion of premium/discount	—	—	—	786
Transfers into Level 3 during the period	—	—	—	160,355
Transfers out of Level 3 during the period	—	(1,612)	(162,118)	(460,370)
Ending Balance 3-31-15	\$31,309	\$ 595	\$ —	\$ 472,642
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 3-31-15	\$ (5,677)	\$ —	\$ —	\$ (15,695)

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. As shown above, transfers in and out of Level 3 represent the values as of the beginning of the reporting period. During the period ended March 31, 2015, there were no transfers between Levels 1 and 2.

Information about Level 3 fair value measurements:

	Fair Value at 3-31-15	Valuation Technique(s)	Unobservable Input(s)
Assets			
Common Stocks	\$ 579	Broker	Broker quotes
	30,730	Third-party vendor pricing service	Broker quotes
Warrants	595	Broker	Broker quotes
Loans	472,642	Third-party vendor pricing service	Broker quotes

The following acronyms are used throughout this schedule:

GTD = Guaranteed
REIT = Real Estate Investment Trust



John C. Maxwell

Below, John C. Maxwell, CFA, portfolio manager of Ivy International Core Equity Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Maxwell has managed the Fund since February 2006 and has 23 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy International Core Equity Fund (Class A shares at net asset value)	4.98%
Ivy International Core Equity Fund (Class A shares including sales load)	-1.05%
Benchmark(s) and/or Lipper Category	
MSCI EAFE Index (generally reflects the performance of securities in Europe, Australasia and the Far East)	-0.92%
Lipper International Large-Cap Core Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-0.28%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

International markets posted negative gains

This was a challenging year for international markets. While the Fund posted a solid single digit return, the benchmark was slightly down. The bulk of the Fund's outperformance was driven by strong stock selection, but currency affects and sector allocation also aided performance. As we said last year, we continued to be less reactive to gyrations in economic data and focused our stock selection on what we considered well-positioned, undervalued or reasonably priced companies with solid growth opportunities.

From a geographic standpoint, country allocations benefitted performance, though Japan was a negative outlier. Our emerging-market allocation, which represented about 12% of the portfolio and neared our internal allocation constraint of 15%, benefitted performance after three years of detractor. While we slightly reduced our emerging-markets weighting in the summer, we still think emerging-market equities represent one of the few undervalued asset classes in the world. Our allocation to Europe, which represents approximately two-thirds of the benchmark, posted strong gains driven by favorable stock selection. U.K.-based Shire plc was the top contributor to performance for the year and received a takeover bid.

Strong stock selection and appropriate sector weightings in health care, financials and information technology were the largest contributors to overall performance. On the other hand, poor stock selection in telecommunications was the top detractor to performance.

More conflict, continued easy money, the strong U.S. dollar and weak commodities

The rise of ISIS in and around Syria and Russia's war with the Ukraine damaged the geopolitical backdrop over the course of the year. The conflict in Russia hurt European confidence — particularly in the second half of 2014. If the conflicts expand or intensify, equity markets could suffer.

On the central banking front, easy money continues with record low rates in virtually the entire developed world. The U.S. tapered its quantitative easing (QE3) program throughout the year and ended the aggressive policy in the fall. Japan, Europe and China employed easier monetary policies through the year with the European Central Bank (ECB) unveiling details of a one trillion-euro bond purchases program to begin in March. The U.K., once expected to raise rates by year-end 2014, seems on hold indefinitely. Expectations for the U.S. to raise rates appear to be slipping from summer to fall.

The U.S. economy performed well over the first nine months of the fiscal year — poor weather is thought to have resulted in down economic data during the first quarter of 2015. Good economic data, coupled with the end of QE3 as well as the anticipation of rate hikes, led to strong appreciation of the U.S. dollar. U.S. dollar strength and weaker growth in China led to a drastic decline in commodity prices. For example, Brent Crude Oil spent the first half of the year trading at more than \$100/barrel, yet closed the year in the \$50s — an amazing drop. So far, we perceive the huge and rapid decline in the price of oil as a benefit to consumers globally rather than an asset bubble that has broken — leading to global contagion. We believe cheap energy costs are one of the few good things to happen to the developed-market, middle and lower class since the financial crisis.

Multiple elections over the course of the year directly affected the markets. U.S. midterms, as well as the Abe snap election in Japan, were generally viewed as supportive. In Brazil, the populist incumbent won, hurting that equity market. The year ended with Greece unable to form a government, with a fringe anti-European party winning the January election.

Actions in the Fund during the year

We spent the first half of the year managing the Fund in a manner consistent with 2013. We implemented an approximate 5% overweight position to defensive sectors at the expense of cyclical. In addition, we maintained our investment approach of not reacting to swings in economic data — generally with the mindset of slow global growth a best-case scenario in the current market environment.

In the third calendar quarter, we shifted the allocation to an approximate equal weighting between defensive and cyclical sectors and, today we plan to tilt the Fund towards cyclical. Compelling valuation, lower energy costs, devalued currencies and extremely cheap money available to large corporates have us expecting accelerating economic data in the near term. Through the year, our industrials and materials allocation increased at the expense of telecommunications and energy.

From a geographic standpoint, we made a number of moves starting in September 2014. First, we cut our weighting in Brazil after a strong run on optimism regarding its fall election. Second, we significantly increased our weighting to European multinationals. They underperformed their U.S. counterparts despite a greater than 10% fall in the European currency. In addition to reducing our emerging-markets weighting, we sold shares in Japan, which stands as a significant underweight relative to the benchmark.

As we exit March, the strong U.S. dollar accompanied by a collapse in oil prices could have important implications. On one hand, this scenario could mean the attempt to drive inflation has failed and oil/commodities are the first reflation assets to collapse. We are not positioned for this as we think the collapse in commodities will lower costs and free up money to drive economic growth.

Additionally, with weakening currencies around the world, we have hedged the Chinese yuan, which is pegged to the U.S. dollar. Due to this relationship, we feel China's trade competitors are attractively positioned due to their currency devaluation relative to the U.S. dollar. If the scenario unfolds where the Chinese yuan is re-set lower relative to the U.S. dollar, the results could adversely affect valuations of our holdings with large exposure to China. In an effort to protect ourselves from this scenario, we have implemented an approximate 10% hedge to the Chinese yuan – this hedge is designed to mitigate the negative impact of a government managed devaluation.

It seems the Fund's growth orientation peaked around mid-calendar-year 2014 and we are moving the Fund slightly in the direction of value. We expect to keep the Fund balanced between defensive and cyclical, though likely to slightly increase our cyclical allocation relative to the benchmark as we move through 2015. We will continue to look for good companies whose prospects we believe are underappreciated, and with increasing cyclical exposure, we plan to add some operating and financial leverage. Through the past fiscal year, our key themes did not change. We continue to seek exposure to:

- Disproportionate growth of emerging-market consumers, particularly in the Asia-Pacific region
- Strong growth in infrastructure
- Strong and believable dividend yields
- Stocks that we think will benefit from increased mergers and acquisition activity.

Outlook

We believe global economic growth is fragile but the outlook for developed international markets has improved in the short term. Global monetary policy remains at the extremes of easy. We think improvement in economic growth, should it occur, could eventually lead to tighter monetary policy. That said, the longer oil prices remain low, the more likely we think that low prices will stimulate global economic activity. In our opinion, the slower economic growth experienced since 2008 is likely as good as we can expect in the medium- to long-term, with greater downside than upside risks.

We think relative valuation remains supportive for international equities, while absolute valuations are not attractive. Equities are trading at valuation levels above their historic averages (over the last 25 years), while bonds are trading at a historic premium to long-term averages.

Long term, we believe emerging-market countries will try to improve their populations' standard of living. To accomplish this feat, we think the countries will require solid real economic growth, which we do not believe currently is being achieved. There are increasing signs of stress in these developing countries, though their growth seems to remain ahead of their developed market counterparts. In the end, we believe maintaining our exposure to developing markets makes sense. In our view, emerging-market valuations are the most attractive in our investing universe.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. Investments in countries with emerging economies or securities markets may carry greater risk than investments in more developed countries. Political and economic structures in many such countries may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries. Investments in securities issued in these countries may be more volatile and less liquid than securities issued in more developed countries. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted are unmanaged and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy International Core Equity Fund.

PORTFOLIO HIGHLIGHTS

Ivy International Core Equity Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.4%
Financials	18.4%
Health Care	15.4%
Consumer Discretionary	14.4%
Industrials	13.6%
Materials	9.6%
Information Technology	8.7%
Consumer Staples	8.4%
Energy	4.0%
Telecommunication Services	3.5%
Utilities	1.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	2.6%

Lipper Rankings

Category: Lipper International Large-Cap Core Funds	Rank	Percentile
1 Year	16/119	14
3 Year	10/96	11
5 Year	4/78	6
10 Year	2/65	4

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Country	Sector	Industry
Teva Pharmaceutical Industries Ltd. ADR	Israel	Health Care	Pharmaceuticals
Fresenius SE & Co. KGaA	Germany	Health Care	Health Care Services
Volkswagen AG	Germany	Consumer Discretionary	Automobile Manufacturers
Svenska Cellulosa Aktiebolaget SCA (publ), Class B	Sweden	Materials	Paper Products
WPP Group plc	United Kingdom	Consumer Discretionary	Advertising
Softbank Corp.	Japan	Telecommunication Services	Wireless Telecommunication Service
Mitsubishi Heavy Industries Ltd.	Japan	Industrials	Industrial Machinery
GlaxoSmithKline plc	United Kingdom	Health Care	Pharmaceuticals
Tokio Marine Holdings, Inc.	Japan	Financials	Property & Casualty Insurance
Bouygues S.A.	France	Industrials	Construction & Engineering

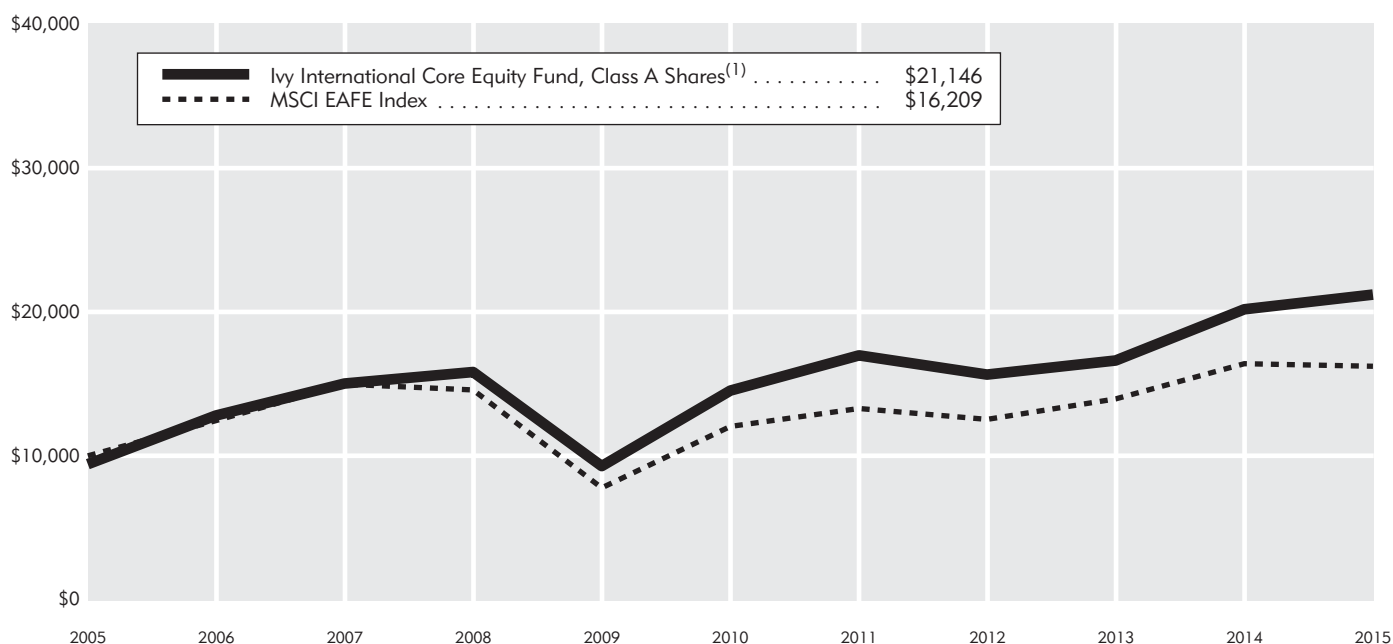
See your advisor or www.ivyfund.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy International Core Equity Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-1.05%	0.31%	4.25%	-1.22%	5.32%	4.70%	—	5.04%
5-year period ended 3-31-15	6.52%	6.71%	7.10%	6.46%	8.22%	—	—	7.94%
10-year period ended 3-31-15	7.78%	7.67%	7.69%	—	—	—	—	8.58%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	3.49%	4.84%	12.83%	0.48%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy International Core Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Australia			Energy – 1.1%			Financials – 3.4%		
Consumer Staples – 1.1%			Total S.A.	771	\$ 38,360	Dai-ichi Mutual Life Insurance Co. (The)	3,770	\$ 54,866
Coca-Cola Amatil Ltd.	4,655	\$ 38,221				Tokio Marine Holdings, Inc.	1,672	63,252
								118,118
Financials – 1.3%			Industrials – 3.7%			Industrials – 4.5%		
Macquarie Group Ltd.	747	43,593	Bouygues S.A.	1,460	57,348	Dakin Industries Ltd.	580	38,930
			European Aeronautic Defence and Space Co. ...	566	36,803	Komatsu Ltd.	2,677	52,732
Health Care – 0.5%			Vinci	606	34,685	Mitsubishi Heavy Industries Ltd.	11,991	66,216
Cochlear Ltd.	256	17,637			128,836			157,878
			Information Technology – 1.3%			Information Technology – 1.2%		
Materials – 1.3%			Cap Gemini S.A.	547	44,917	Tokyo Electron Ltd.	599	41,877
Amcort Ltd.	4,342	46,436				Telecommunication Services – 1.9%		
			Materials – 1.2%			Softbank Corp.	1,149	66,876
Total Australia – 4.2%		\$145,887	Lafarge	668	43,347			
Brazil						Total Japan – 14.1%		\$492,570
Consumer Staples – 1.1%			Utilities – 1.4%			Netherlands		
Hypermarcas S.A. (A)	6,246	38,574	Gaz de France	2,442	48,325	Financials – 1.4%		
						ING Groep N.V., Certicaaten Van Aandelen (A)	3,249	47,674
Telecommunication Services – 0.5%			Total France – 9.8%		\$342,431	Total Netherlands – 1.4%		\$ 47,674
TIM Participacoes S.A.	4,900	16,320	Germany			South Korea		
			Financials – 1.2%			Consumer Discretionary – 1.0%		
Total Brazil – 1.6%		\$ 54,894	Commerzbank AG (A)	2,885	39,867	Hyundai Mobis	165	36,574
Canada						Information Technology – 1.2%		
Consumer Discretionary – 0.8%			Health Care – 5.9%			Samsung Electronics Co. Ltd.	32	41,899
Magna International, Inc. ...	496	26,531	Bayer AG	365	54,922			
			Fresenius Medical Care AG & Co. KGaA	619	51,556	Total South Korea – 2.2%		\$ 78,473
Total Canada – 0.8%		\$ 26,531	Fresenius SE & Co. KGaA ...	1,673	99,989	Spain		
					206,467	Consumer Discretionary – 1.1%		
China			Industrials – 1.3%			Mediaset Espana Comunicacion S.A.	3,011	37,751
Consumer Discretionary – 1.2%			Deutsche Lufthansa AG	3,254	45,761			
JD.com, Inc. ADR (A)(B) ...	1,374	40,367				Financials – 1.5%		
			Total Germany – 8.4%		\$292,095	CaixaBank S.A.	10,888	51,685
Consumer Staples – 1.4%			Ireland			Health Care – 1.1%		
Kweichow Moutai Co. Ltd., Class A	1,586	50,129	Health Care – 1.3%			Grifols S.A.	905	38,901
			Shire Pharmaceuticals Group plc ADR (B)	200	47,858	Information Technology – 1.4%		
Financials – 1.7%						Amadeus IT Holding S.A. ...	1,116	47,968
China Construction Bank Corp.	65,370	54,302	Materials – 1.3%					
Haitong Securities Co. Ltd., H Shares (A)	2,261	5,507	James Hardie Industries plc, Class C	3,838	44,614	Total Spain – 5.1%		\$176,305
		59,809				Sweden		
Information Technology – 1.3%			Total Ireland – 2.6%		\$ 92,472	Financials – 1.4%		
Baidu.com, Inc. ADR (A)(B)	216	44,986	Israel			Investor AB, B Shares	1,198	47,817
			Health Care – 3.0%			Industrials – 1.2%		
Total China – 5.6%		\$195,291	Teva Pharmaceutical Industries Ltd. ADR (B) ...	1,687	105,089	Sandvik AB	3,622	40,561
Denmark								
Financials – 1.1%			Total Israel – 3.0%		\$105,089			
Danske Bank A.S.	1,478	39,036	Japan					
			Consumer Discretionary – 2.1%					
Telecommunication Services – 1.1%			Mitsubishi Motors Corp.	4,895	44,284			
TDC A/S	5,146	36,882	Nissin Kogyo Co. Ltd.	1,736	27,614			
					71,898			
Total Denmark – 2.2%		\$ 75,918	Energy – 1.0%					
France			Inpex Corp.	3,250	35,923			
Consumer Staples – 1.1%								
Pernod Ricard	326	38,646						

SCHEDULE OF INVESTMENTS

Ivy International Core Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Materials – 2.3%		
Svenska Cellulosa Aktiebolaget SCA (publ), Class B	3,512	\$ 81,034
Total Sweden – 4.9%		\$169,412
Switzerland		
Health Care – 1.2%		
Roche Holdings AG, Genusscheine	153	42,154
Industrials – 1.6%		
Adecco S.A.	645	53,796
Materials – 1.3%		
Syngenta AG	138	46,791
Total Switzerland – 4.1%		\$142,741
United Kingdom		
Consumer Discretionary – 5.0%		
Burberry Group plc	1,672	42,983
Carnival plc	256	12,521
Marks and Spencer Group plc	5,678	45,058
WPP Group plc	3,166	71,902
		172,464
Consumer Staples – 3.7%		
Reckitt Benckiser Group plc	415	35,708
SABMiller plc	831	43,615
Unilever plc	1,175	49,072
		128,395
Energy – 1.1%		
BP plc	6,085	39,418
Financials – 5.4%		
Aviva plc	5,143	41,197
Legal & General Group plc	13,347	55,158
Prudential plc	2,092	51,887
Standard Chartered plc	2,521	40,888
		189,130
Health Care – 2.4%		
GlaxoSmithKline plc	2,778	63,700
GlaxoSmithKline plc ADR	409	18,852
		82,552

COMMON STOCKS

(Continued)

	Shares	Value
Industrials – 1.3%		
BAE Systems plc	5,979	\$ 46,429
Materials – 2.2%		
Antofagasta plc	4,599	49,973
Rio Tinto plc	681	28,019
		77,992
Total United Kingdom – 21.1%		\$ 736,380
United States		
Consumer Discretionary – 0.8%		
Carnival Corp.	589	28,168
Energy – 0.8%		
United States Oil Fund L.P. (A)	1,656	27,882
Information Technology – 2.3%		
Cognizant Technology Solutions Corp., Class A (A)(B)	769	47,980
Yahoo!, Inc. (A)(B)	692	30,770
		78,750
Total United States – 3.9%		\$ 134,800
TOTAL COMMON STOCKS – 95.0%		\$3,308,963
(Cost: \$3,039,758)		
PREFERRED STOCKS		
Germany		
Consumer Discretionary – 2.4%		
Volkswagen AG, 2.260%	319	84,958
Total Germany – 2.4%		\$ 84,958
TOTAL PREFERRED STOCKS – 2.4%		\$ 84,958
(Cost: \$73,886)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (C) – 2.5%		
Air Products and Chemicals, Inc. 0.170%, 4–8–15	\$10,000	10,000

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Commercial Paper (C) (Continued)		
Bemis Co., Inc. 0.510%, 4–22–15 ...	\$ 5,000	\$ 4,998
Danaher Corp. 0.080%, 4–10–15 ...	12,000	11,999
Kellogg Co. 0.520%, 4–22–15 ...	5,000	4,998
Mondelez International, Inc. 0.430%, 4–1–15	8,618	8,618
NBCUniversal Enterprise, Inc. 0.500%, 4–9–15	10,000	9,999
Northern Illinois Gas Co. 0.380%, 4–14–15 ...	4,000	3,999
Novartis Finance Corp. (GTD by Novartis AG) 0.110%, 4–6–15	5,000	5,000
PacifiCorp 0.550%, 4–2–15	10,000	10,000
USAA Capital Corp. 0.080%, 4–2–15	4,000	4,000
Wisconsin Electric Power Co. 0.170%, 4–10–15 ...	3,000	3,000
Wisconsin Gas LLC 0.120%, 4–10–15 ...	10,000	10,000
		86,611
Master Note – 0.1%		
Toyota Motor Credit Corp. 0.130%, 4–1–15 (D) ...	2,988	2,988
TOTAL SHORT-TERM SECURITIES – 2.6%		\$ 89,599
(Cost: \$89,600)		
TOTAL INVESTMENT SECURITIES – 100.0%		\$3,483,520
(Cost: \$3,203,244)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – 0.0%		(1,440)
NET ASSETS – 100.0%		\$3,482,080

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)All or a portion of securities with an aggregate value of \$4,448 are held in collateralized accounts for OTC derivatives collateral as governed by International Swaps and Derivatives Association, Inc. Master Agreements.

(C)Rate shown is the yield to maturity at March 31, 2015.

(D)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

SCHEDULE OF INVESTMENTS

Ivy International Core Equity Fund *(in thousands)*

MARCH 31, 2015

The following forward foreign currency contracts were outstanding at March 31, 2015:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
Chinese Yuan Renminbi	2,065,543	U.S. Dollar	325,308	6-12-15	Deutsche Bank AG	\$—	\$4,769

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$3,308,963	\$ —	\$—
Preferred Stocks	84,958	—	—
Short-Term Securities	—	89,599	—
Total	\$3,393,921	\$89,599	\$—
Liabilities			
Forward Foreign Currency Contracts	\$ —	\$ 4,769	\$—

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

Market Sector Diversification (as a % of net assets)	
Financials	18.4%
Health Care	15.4%
Consumer Discretionary	14.4%
Industrials	13.6%
Materials	9.6%
Information Technology	8.7%
Consumer Staples	8.4%
Energy	4.0%
Telecommunication Services	3.5%
Utilities	1.4%
Other+	2.6%

+ Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.



Daniel P. Becker

Below, Daniel P. Becker, CFA, and Philip J. Sanders, CFA, portfolio managers of Ivy Large Cap Growth Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Becker has managed the Fund since 2000 and has 26 years of industry experience. Mr. Sanders has managed the Fund since 2006 and has 26 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Large Cap Growth Fund (Class A shares at net asset value)	17.45%
Ivy Large Cap Growth Fund (Class A shares including sales charges)	10.72%
Benchmark(s) and/or Lipper Category	
Russell 1000 Growth Index (generally reflects the performance of securities that represent the large-cap growth market)	16.09%
Lipper Large-Cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	14.54%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



Philip J. Sanders

Key drivers

The second half of 2014 introduced two complicating factors to an already complex investment environment — a rising U.S. dollar relative to most other currencies and the collapse in oil prices. We attribute recent dollar strength primarily to the monetary policy decoupling of the U.S. and other international economies. While this could encourage capital flows to the U.S. and be supportive of the domestic market as a whole, it is also likely to be an earnings headwind for many multinational companies with extensive overseas operations. With respect to lower energy prices, we believe this will ultimately prove to be a net benefit to U.S. economic growth as more than two-thirds of our country's spending is consumer-based. However, the rapidity of the price decline is already having a disruptive effect on several industries and regions of the U.S. that are tied to operating, supporting and building out our country's energy infrastructure. In simplistic terms, we believe a transfer of wealth is occurring between energy industry participants and consumers, but that transfer of wealth is not occurring in a smooth and predictable fashion.

Compounding the analysis is the effects of very generous fixed-income markets that have funded much of the oversupply in the energy markets. A great deal of capital has flowed to the energy industry in recent years on the assumption that oil prices would remain relatively high. Consequently, we expect some loan defaults resulting in potential dislocations in the credit markets. In fact, we have already experienced volatility in the energy portion of the high yield debt markets from a quick decline in credit availability to many energy-related companies. We must also understand the global effects of lower energy prices. Key developed economies like Europe and Japan, along with China and India, should be beneficiaries of lower oil prices. However, a host of other major regions/countries such as the Middle East, Russia and Brazil are likely to be negatively impacted in a meaningful way from a prolonged downturn in energy prices. Even smaller countries could pose some risk to the global growth outlook to the extent their export-based economies are hurt by falling commodity prices and dollar-based loans have to be paid back with weaker currencies.

Contributors and detractors

The U.S. equity market generated another year of solid gains, despite ongoing macroeconomic and geopolitical concerns. In a very volatile world, the U.S. economy, and its corporations remain a relative island of stability. While growth has been disappointing in Europe, Japan, China and most emerging markets, the U.S. economic expansion continues — supported by steady improvement in the labor market, solid housing and auto sales, rising consumer confidence and record high levels of corporate profitability and cash flow. Within the overall market, however, sector performance was quite diverse. Large-capitalization stocks outperformed small-capitalization stocks by a significant margin. For the year, the Fund outperformed the Russell 1000 Growth Index and ranked favorably in its competitive universe in what proved to be a very challenging year for active managers.

Our philosophy and investment process has remained steadfast and consistent over time — focusing on structurally advantaged companies that we believe can generate superior levels of profitability and growth over the long term. One primary area of emphasis for the Fund over the past fiscal year was the health care sector, where an overweighting and strong stock selection, were key drivers to performance. Notable standouts during the period included Celgene, Shire Pharmaceuticals, Biogen and Gilead Sciences. Within the technology sector, key holdings such as NXP Semiconductor and Facebook also aided performance.

While the Fund's underweighting in the weak performing energy sector also proved beneficial to performance, this was offset by some industrials holdings that underperformed because a portion of their business is tied to this sector [Flowserve, Pentair and Precision Castparts (no longer a Fund holding)]. Also detracting from performance was the Fund's overweighting and unfavorable stock selection in the consumer discretionary sector. In particular, performance was hurt by Fund holdings in Las Vegas Sands and Wynn Resorts, which were negatively impacted by a meaningful slowdown in the Macau gaming market; and by CBS Corp., which suffered from a weak advertising market.

Portfolio repositioning during the year focused on reducing the Fund's energy, industrials and select consumer discretionary holdings amid weakening end markets and unfavorable currency headwinds, with the bulk of the proceeds being reinvested in health care and technology.

Outlook

Looking forward, we believe the current investment environment can be aptly described by the theme of “divergence” — where divergent global monetary policies, economic growth prospects, interest rate curves and currency values all add complexity to the analytical process. As a case in point, the U.S. dollar index jumped 9.0% in the most recent quarter, the largest quarterly increase in almost seven years. We think this will create significant earnings headwinds for many multinational companies as the year progresses. Combined with a weakening earnings contribution from the energy sector due to the collapse in oil prices, we believe that earnings for the overall market will struggle to show much, if any growth this year. Nevertheless, we still see pockets of strength in certain areas of the economy. The result is likely to be more dispersion in the profit outlook across industries/sectors than we have seen in quite some time. The good news is that we believe this is supportive of a more favorable environment for active management than we have experienced in recent years. We believe it should also be beneficial for the large-cap growth asset class as current valuation levels for many secular growth companies do not appear to reflect the outsized sales and profit growth we expect them to generate compared to the broad market.

The current portfolio strategy remains focused on identifying what we think are true secular growth companies that have the ability to drive solid top- and bottom-line growth without the help of strong economic tailwinds. In the current muted global economic environment, sales and profit growth is likely to become much more challenging. Consequently, we believe there are real opportunities for unit driven companies that we find have sustainable growth prospects to be revalued higher. We are currently finding what we believe are the most attractive investment opportunities in the health care, consumer discretionary and technology sectors. Examples of some specific areas of emphasis include biotechnology companies that we believe will benefit from new product launches or dominant positions in fast-growing therapeutic markets, technology companies riding the secular trend toward electronic and mobile payments, social network and media companies positioned to benefit as advertising spending moves away from “old world” media companies, and consumer-oriented companies benefiting from changing consumer spending patterns and differentiated customer experiences.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment. Prices of growth stocks may be more sensitive to changes in current or expected earnings than the prices of other stocks. Growth stocks may not perform as well as value stocks or the stock market in general. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Large Cap Growth Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Large Cap Growth Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	96.2%
Information Technology	33.2%
Consumer Discretionary	24.8%
Health Care	23.7%
Industrials	8.0%
Consumer Staples	2.6%
Telecommunication Services	1.7%
Materials	1.1%
Energy	1.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	3.8%

Lipper Rankings

Category: Lipper Large-Cap Growth Funds	Rank	Percentile
1 Year	141/702	21
3 Year	293/623	47
5 Year	215/545	40
10 Year	89/388	23

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Apple, Inc.	Information Technology	Technology Hardware, Storage & Peripherals
Biogen, Inc.	Health Care	Biotechnology
Celgene Corp.	Health Care	Biotechnology
MasterCard, Inc., Class A	Information Technology	Data Processing & Outsourced Services
Home Depot, Inc. (The)	Consumer Discretionary	Home Improvement Retail
Gilead Sciences, Inc.	Health Care	Biotechnology
Visa, Inc., Class A	Information Technology	Data Processing & Outsourced Services
Harman International Industries, Inc.	Consumer Discretionary	Consumer Electronics
Actavis plc	Health Care	Pharmaceuticals
Applied Materials, Inc.	Information Technology	Semiconductor Equipment

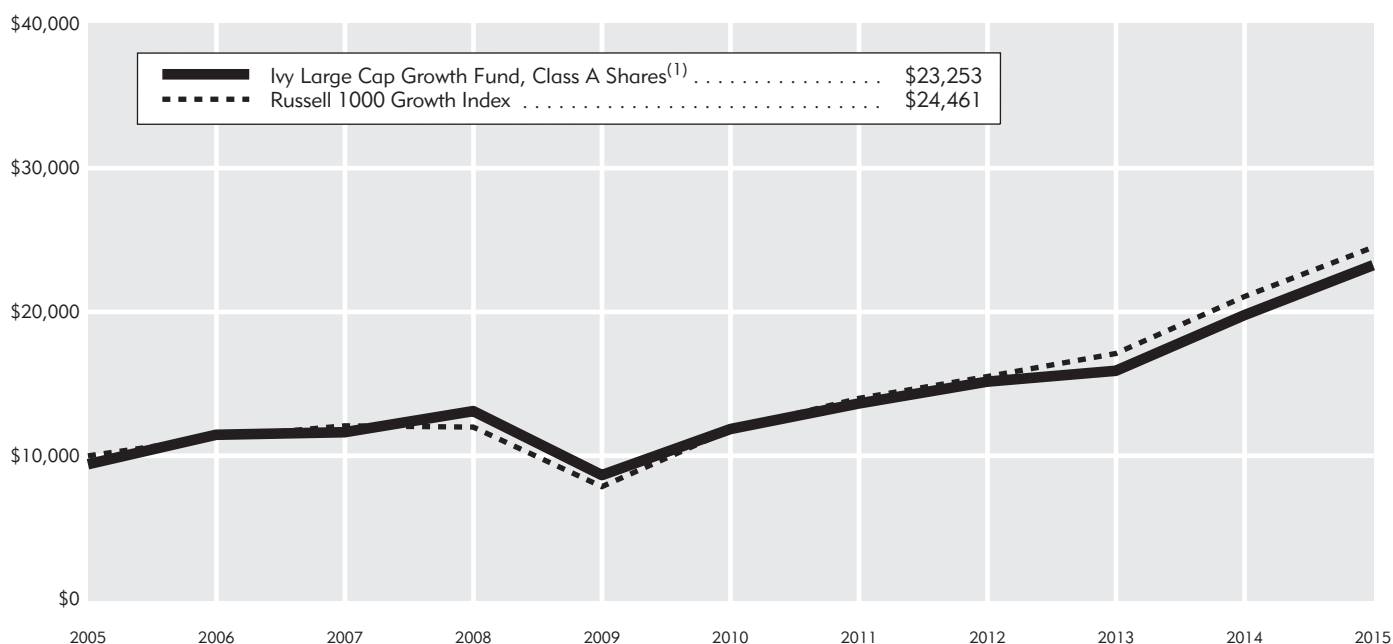
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Large Cap Growth Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	10.72%	12.49%	16.67%	10.73%	17.75%	17.16%	—	17.62%
5-year period ended 3-31-15	13.06%	13.16%	13.53%	13.06%	14.70%	14.04%	—	14.51%
10-year period ended 3-31-15	8.80%	8.44%	8.54%	—	—	—	—	9.57%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	8.16%	9.33%	7.94%	13.18%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-29-05 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Large Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel Retail – 1.2%		
Limited Brands, Inc.	214	\$ 20,187
Apparel, Accessories & Luxury Goods – 1.0%		
Under Armour, Inc., Class A (A)	201	16,247
Automotive Retail – 2.0%		
AutoZone, Inc. (A)	13	8,868
O'Reilly Automotive, Inc. (A)	118	25,603
		34,471
Broadcasting – 0.7%		
CBS Corp., Class B	197	11,926
Cable & Satellite – 1.7%		
Comcast Corp., Class A	500	28,224
Casinos & Gaming – 0.9%		
Las Vegas Sands, Inc.	155	8,542
Wynn Resorts Ltd.	52	6,584
		15,126
Consumer Electronics – 3.3%		
Harman International Industries, Inc.	417	55,737
Footwear – 1.4%		
NIKE, Inc., Class B	239	24,009
Home Improvement Retail – 3.6%		
Home Depot, Inc. (The)	531	60,304
Hotels, Resorts & Cruise Lines – 2.3%		
Hilton Worldwide Holdings, Inc. (A)	1,326	39,267
Internet Retail – 2.5%		
Amazon.com, Inc. (A)	76	28,429
priceline.com, Inc. (A)	12	14,086
		42,515
Motorcycle Manufacturers – 1.0%		
Harley-Davidson, Inc.	278	16,904
Restaurants – 1.2%		
Starbucks Corp.	210	19,878
Specialty Stores – 2.0%		
Ulta Salon, Cosmetics & Fragrance, Inc. (A)	223	33,594
Total Consumer Discretionary – 24.8%		418,389
Consumer Staples		
Brewers – 2.2%		
Anheuser-Busch InBev S.A. ADR	304	37,000

COMMON STOCKS (Continued)	Shares	Value
Personal Products – 0.4%		
Estee Lauder Co., Inc. (The), Class A	82	\$ 6,827
Total Consumer Staples – 2.6%		43,827
Energy		
Oil & Gas Exploration & Production – 1.1%		
EOG Resources, Inc.	212	19,429
Total Energy – 1.1%		19,429
Health Care		
Biotechnology – 13.3%		
Alexion Pharmaceuticals, Inc. (A)	25	4,246
Biogen, Inc. (A)	181	76,305
Celgene Corp. (A)	641	73,906
Gilead Sciences, Inc. (A) ...	611	59,987
Vertex Pharmaceuticals, Inc. (A)	88	10,428
		224,872
Health Care Facilities – 2.9%		
HCA Holdings, Inc.(A)	656	49,381
Pharmaceuticals – 7.5%		
Actavis plc (A)	177	52,588
Bristol-Myers Squibb Co. ...	740	47,743
Shire Pharmaceuticals Group plc ADR	106	25,269
		125,600
Total Health Care – 23.7%		399,853
Industrials		
Aerospace & Defense – 1.6%		
Boeing Co. (The)	185	27,720
Railroads – 6.4%		
Canadian Pacific Railway Ltd.	264	48,196
Kansas City Southern	130	13,311
Union Pacific Corp.	432	46,779
		108,286
Total Industrials – 8.0%		136,006
Information Technology		
Application Software – 1.9%		
Adobe Systems, Inc. (A)	429	31,683
Data Processing & Outsourced Services – 9.8%		
Alliance Data Systems Corp. (A)	27	7,999
FleetCor Technologies, Inc. (A)	184	27,769

COMMON STOCKS (Continued)	Shares	Value
Data Processing & Outsourced Services (Continued)		
MasterCard, Inc., Class A	830	\$ 71,678
Visa, Inc., Class A	888	58,058
		165,504
Internet Software & Services – 7.9%		
Facebook, Inc., Class A (A)	586	48,170
Google, Inc., Class A (A)	40	22,132
Google, Inc., Class C (A)	52	28,551
LinkedIn Corp., Class A (A)	138	34,356
		133,209
IT Consulting & Other Services – 2.5%		
Cognizant Technology Solutions Corp., Class A (A)	683	42,581
Semiconductor Equipment – 3.2%		
Applied Materials, Inc. ...	2,205	49,747
Lam Research Corp.	61	4,299
		54,046
Semiconductors – 2.6%		
NXP Semiconductors N.V. (A)	366	36,772
Texas Instruments, Inc. ...	145	8,286
		45,058
Technology Hardware, Storage & Peripherals – 5.3%		
Apple, Inc.	717	89,264
Total Information Technology – 33.2%		561,345
Materials		
Diversified Chemicals – 1.1%		
PPG Industries, Inc.	79	17,908
Total Materials – 1.1%		17,908
Telecommunication Services		
Wireless Telecommunication Service – 1.7%		
American Tower Corp., Class A	186	17,484
SBA Communications Corp. (A)	92	10,820
		28,304
Total Telecommunication Services – 1.7%		28,304
TOTAL COMMON STOCKS – 96.2%		\$1,625,061
(Cost: \$1,030,173)		

SCHEDULE OF INVESTMENTS

Ivy Large Cap Growth Fund *(in thousands)*

MARCH 31, 2015

SHORT-TERM SECURITIES

	Principal	Value
Commercial Paper (B) – 2.8%		
BMW U.S. Capital LLC (GTD by BMW AG), 0.110%, 4-24-15		
	\$8,000	\$7,999
Kellogg Co., 0.430%, 4-9-15		
	8,500	8,499
Kroger Co. (The), 0.280%, 4-1-15		
	7,827	7,827
PacifiCorp, 0.550%, 4-2-15		
	3,000	3,000
USAA Capital Corp., 0.080%, 4-2-15		
	6,000	6,000
Virginia Electric and Power Co., 0.480%, 4-21-15		
	5,000	4,999

SHORT-TERM SECURITIES

(Continued)	Principal	Value
Commercial Paper (B) (Continued)		
Walgreens Boots Alliance, Inc., 0.550%, 4-17-15		
	\$10,000	\$ 9,997
		48,321
Master Note – 0.5%		
Toyota Motor Credit Corp., 0.130%, 4-1-15 (C)		
	7,871	7,871
TOTAL SHORT-TERM SECURITIES – 3.3%		
		\$56,192
(Cost: \$56,193)		

	Value
TOTAL INVESTMENT SECURITIES – 99.5%	\$1,681,253
(Cost: \$1,086,366)	
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.5%	9,125
NET ASSETS – 100.0%	\$1,690,378

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Rate shown is the yield to maturity at March 31, 2015.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$1,625,061	\$ —	\$ —
Short-Term Securities	—	56,192	—
Total	<u>\$1,625,061</u>	<u>\$56,192</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

GTD = Guaranteed

See Accompanying Notes to Financial Statements.



Mark Otterstrom



Susan Regan

Below, Mark J. Otterstrom, CFA, and Susan K. Regan, portfolio managers of Ivy Limited-Term Bond Fund discuss positioning, performance and results for the fiscal year ended March 31, 2015. Mr. Otterstrom has managed the Portfolio since its inception in 2010 and has 28 years of industry experience. Ms. Regan was named portfolio manager in 2014 and has 27 years industry experience. Effective April 30, 2015, Mr. Otterstrom will no longer serve as a manager of the Fund.

Fiscal Year Performance

For the 12 months ended March 31, 2015

Ivy Limited-Term Bond Fund (Class A shares at net asset value)	1.60%
Ivy Limited-Term Bond Fund (Class A shares with sales charge)	−0.95%
Benchmark(s) and/or Lipper Category	
Barclays 1-5 Year U.S. Government/Credit Index (generally reflects the performance of securities representing the bond market with greater than one and less than five years until maturity)	1.99%
Lipper Short-Intermediate Investment Grade Debt Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	1.97%

Please note that the Fund returns include applicable investment fees and expenses, whereas the index returns do not include any such fees. The performance discussion below is at net asset value.

This Fund underperformed its benchmark and its Lipper peer group average over the last 12 months.

Our biggest challenge over the last 12 months was positioning the Fund to take advantage of major market moves. We had anticipated rates to continue to grind higher in 2014. We underappreciated the economic weakness early in 2014 and the severity of the geopolitical risks that were arising worldwide. While the U.S. economy rebounded sharply in the second half of 2014, the flight-to-quality trade into the longer-dated Treasury bonds dominated the bond market. We had sold Treasury futures at the end of 2013 in order to shorten the duration of the Fund. We maintained these short positions until October 2014. Our defensive positions in the Fund and our short duration relative to our benchmark duration led to the Fund underperforming both its benchmark and Lipper peer group during this major market move.

The International Monetary Fund (IMF) has significantly lowered its global growth projections for the remainder of 2015. The better economic growth in the U.S., while still rather anemic, is one of the few bright spots in their forecasts. This has led to a flattening of the Treasury yield curve over the past few months. In the fourth quarter of calendar 2014, we began to shift to a barbell structure in the Fund to take advantage of this yield curve flattening. Global weakness has led to an increased flight-to-quality trade and helped lower the yields on the long end of the Treasury curve.

Interest rates and the outlook

The dramatic collapse in the price of oil had both negative and positive effects for U.S. economic growth. We believe that states with economies dependent on oil exploration and production could easily fall into a recession in 2015. States that are net consumers of oil have already begun to see a very positive effect to lower oil prices. The cost of gasoline has declined to half of where it was a year ago. This should have the very real effect of increasing the buying power of U.S. consumers.

The Federal Reserve (Fed) officially ended its quantitative easing (QE) program in October 2014. The focus now is on the timing of the first fed funds rate increase. Our current expectation is for a 25 basis point rate increase by mid- to late-2015. However, this date is very data dependent. If U.S. economic growth in the first half of 2015 is adversely affected by the extreme weakness in Europe and the emerging markets, then we believe the lift-off date for Fed tightening could be delayed.

While the 10-year Treasury rallied over 80 basis points for fiscal 2014, the yield on the two-year Treasury sold off nearly 30 basis points. The five-year Treasury remained relatively flat over the same time period. We think the dynamics leading to this flatter yield curve should be with us throughout 2015. Even as the Fed begins to raise fed funds rate, we expect the strong flight-to-quality trade to continue to keep Treasury yields at the long end of the yield curve relatively low.

We have been overweight corporates over the last few years and plan to continue this overweight position. With economic conditions improving in the U.S., we expect to see relatively stable corporate bond spreads on investment grade bonds. The new normal appears to be significantly less net new issuance of mortgage-backed securities. As a result, mortgage spreads continue to be tight. Our mortgage holdings are structured with the expectation of experiencing less extension risk during periods of rising interest rates.

With the short end of the yield curve anchored by the low fed funds rate, we expect to see continued volatility in the middle and longer end of the curve. We believe even slight changes in the U.S. economic outlook can have significant short-term effects on longer duration securities. Over the last several months, continued weakness in Europe and a dramatic sell-off in emerging market bonds led to a strong flight-to-quality trade into the Treasury market. As we move forward in a very unpredictable market, we think the elevated level of volatility seen over the last few years could easily persist.

The Fund's duration is currently in line with its benchmark duration and we expect to maintain this position going through 2015. We anticipate continued demand for spread products within the high-grade bond market. We are willing to take additional credit risk when we believe we are being compensated to do so.

The Fund's performance noted above is at net asset value (NAV), and does not include the effect of any applicable sales charges. If reflected, the sales charge would reduce the performance noted.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Fixed-income securities are subject to interest rate risk and, as such, the Fund's net asset value may fall as interest rates rise. These and other risks are more fully described in the Fund's prospectus.

Certain U.S. government securities in which the Fund may invest, such as Treasury securities and securities issued by the Government National Mortgage Association (Ginnie Mae), are backed by the full faith and credit of the U.S. government. However, other government securities in which the Fund may invest, such as securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks (FHLB), are not backed by the full faith and credit of the U.S. government, are not insured or guaranteed by the U.S. government and, instead, may be supported only by the right of the issuer to borrow from the U.S. Treasury or by the credit of the issuer.

On September 7, 2008, the Federal Housing Finance Agency (FHFA), an agency of the U.S. government, placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. FHFA will act as the conservator to operate Fannie Mae and Freddie Mac until they are stabilized. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Limited-Term Bond Fund.

PORTFOLIO HIGHLIGHTS

Ivy Limited-Term Bond Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Bonds	92.9%
Corporate Debt Securities	76.7%
United States Government and Government Agency Obligations	16.0%
Municipal Bonds – Taxable	0.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	7.1%

Lipper Rankings

Category: Lipper Short-Intermediate Investment Grade Debt Funds	Rank	Percentile
1 Year	109/173	63
3 Year	112/130	86
5 Year	98/112	87
10 Year	55/88	62

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

Quality Weightings

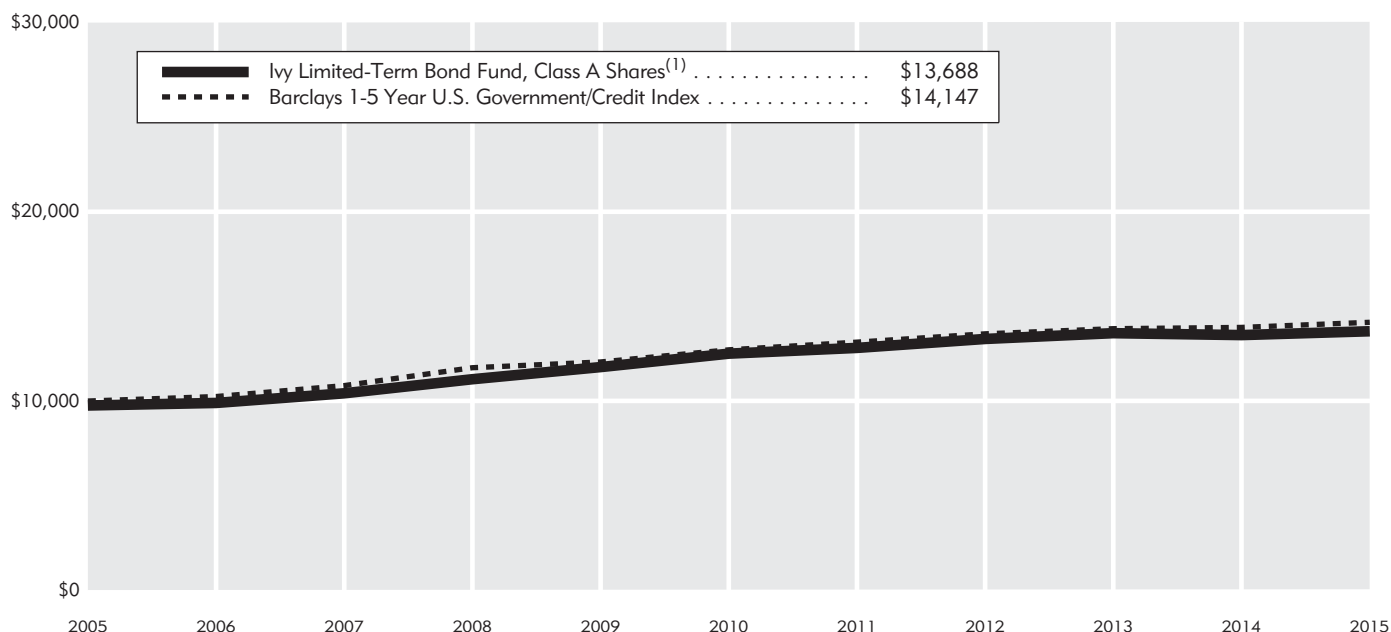
Investment Grade	88.6%
AA	23.7%
A	29.5%
BBB	35.4%
Non-Investment Grade	4.3%
BB	2.5%
B	0.7%
Non-rated	1.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	7.1%

Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Limited-Term Bond Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-0.95%	-3.25%	0.83%	-1.07%	1.86%	1.24%	—	1.59%
5-year period ended 3-31-15	1.33%	0.80%	1.09%	1.23%	2.09%	—	—	1.84%
10-year period ended 3-31-15	3.19%	2.75%	2.65%	—	—	—	—	3.50%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	3.18%	3.90%	0.25%	1.31%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 2.50%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Limited-Term Bond Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT SECURITIES

	Principal	Value
Consumer Discretionary		
Apparel Retail – 0.9%		
Limited Brands, Inc., 8.500%, 6–15–19	\$13,000	\$15,596
Apparel, Accessories & Luxury Goods – 1.9%		
Hanesbrands, Inc., 6.375%, 12–15–20	15,482	16,431
LVMH Moët Hennessy – Louis Vuitton, 1.625%, 6–29–17 (A) ...	16,000	16,157
		<u>32,588</u>
Automobile Manufacturers – 3.3%		
General Motors Co.: 3.500%, 10–2–18	10,035	10,282
4.875%, 10–2–23	10,500	11,369
Toyota Motor Credit Corp.: 2.000%, 9–15–16	13,250	13,507
2.000%, 10–24–18	5,125	5,229
Volkswagen Group of America, Inc., 2.125%, 5–23–19 (A) ...	16,000	16,100
		<u>56,487</u>
Broadcasting – 0.2%		
CBS Corp., 7.625%, 1–15–16	3,500	3,685
Cable & Satellite – 2.2%		
DIRECTV Holdings LLC and DIRECTV Financing Co., Inc.: 5.875%, 10–1–19	3,900	4,493
5.200%, 3–15–20	3,000	3,384
3.950%, 1–15–25	4,575	4,713
Lender Processing Services, Inc. and Black Knight Lending Solutions, Inc., 5.750%, 4–15–23	6,140	6,506
TCI Communications, Inc., 8.750%, 8–1–15	7,000	7,190
Time Warner Cable, Inc., 5.850%, 5–1–17	6,830	7,428
Time Warner Co., Inc. (GTD by Time Warner, Inc.), 7.250%, 10–15–17	4,000	4,580
		<u>38,294</u>
Department Stores – 0.8%		
Macy's Retail Holdings, Inc., 7.450%, 7–15–17	12,100	13,672
General Merchandise Stores – 0.9%		
Dollar General Corp.: 4.125%, 7–15–17	12,500	13,147
1.875%, 4–15–18	3,000	2,967
		<u>16,114</u>
Home Improvement Retail – 1.2%		
Lowe's Co., Inc.: 5.000%, 10–15–15	8,000	8,183

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Home Improvement Retail (Continued)		
2.125%, 4–15–16	\$11,366	\$ 11,521
		<u>19,704</u>
Internet Retail – 1.3%		
Amazon.com, Inc.: 1.200%, 11–29–17	8,000	8,000
3.800%, 12–5–24	13,305	13,983
		<u>21,983</u>
Leisure Products – 0.2%		
Mattel, Inc., 2.500%, 11–1–16	2,500	2,541
Total Consumer Discretionary – 12.9%		220,664
Consumer Staples		
Brewers – 0.4%		
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB), 7.750%, 1–15–19	5,324	6,440
Distillers & Vintners – 0.6%		
Beam, Inc., 1.750%, 6–15–18	10,000	9,997
Drug Retail – 0.4%		
Walgreen Co., 1.800%, 9–15–17	6,500	6,566
Food Distributors – 0.5%		
ConAgra Foods, Inc.: 1.300%, 1–25–16	2,940	2,947
5.819%, 6–15–17	2,500	2,720
Wm. Wrigley Jr. Co.: 2.000%, 10–20–17 (A) ..	1,000	1,011
2.400%, 10–21–18 (A) ..	1,500	1,527
		<u>8,205</u>
Packaged Foods & Meats – 1.4%		
Kraft Foods, Inc., 4.125%, 2–9–16	12,000	12,323
Tyson Foods, Inc. (GTD by Tyson Fresh Meats, Inc.), 2.650%, 8–15–19	11,850	12,134
		<u>24,457</u>
Soft Drinks – 0.2%		
Bottling Group LLC, 5.125%, 1–15–19	4,059	4,569
Total Consumer Staples – 3.5%		60,234
Energy		
Integrated Oil & Gas – 0.2%		
Statoil ASA (GTD by Statoil Petroleum AS), 1.950%, 11–8–18	3,500	3,547

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Oil & Gas Equipment & Services – 1.7%		
Enterprise Products Operating LLC (GTD by Enterprise Products Partners L.P.), 6.500%, 1–31–19	\$13,000	\$ 15,026
Schlumberger Investment S.A. (GTD by Schlumberger Ltd.): 1.950%, 9–14–16 (A) ...	3,000	3,053
1.250%, 8–1–17 (A) ...	5,000	5,003
Schlumberger Norge A.S., 1.250%, 8–1–17 (A) ...	2,435	2,437
Schlumberger Norge A.S. (GTD by Schlumberger Ltd.), 1.950%, 9–14–16 (A) ...	3,000	3,053
		<u>28,572</u>
Oil & Gas Exploration & Production – 4.1%		
BP Capital Markets plc, 1.674%, 2–13–18	13,500	13,562
ConocoPhillips Co. (GTD by ConocoPhillips), 3.350%, 11–15–24	15,250	15,715
EOG Resources, Inc., 2.500%, 2–1–16	6,000	6,087
EQT Corp., 8.125%, 6–1–19	11,520	13,762
Marathon Oil Corp., 0.900%, 11–1–15	11,240	11,242
Plains Exploration & Production Co., 6.875%, 2–15–23	9,035	9,589
		<u>69,957</u>
Oil & Gas Storage & Transportation – 2.3%		
Copano Energy LLC and Copano Energy Finance Corp., 7.125%, 4–1–21	4,566	4,929
DCP Midstream Operating L.P. (GTD by DCP Midstream Partners L.P.): 3.250%, 10–1–15	5,500	5,525
2.700%, 4–1–19	2,000	1,831
El Paso Corp., 7.000%, 6–15–17	17,550	19,355
Kinder Morgan Energy Partners L.P., 5.950%, 2–15–18	7,000	7,737
		<u>39,377</u>
Total Energy – 8.3%		141,453
Financials		
Asset Management & Custody Banks – 1.0%		
Ares Capital Corp., 3.875%, 1–15–20	16,515	16,804

SCHEDULE OF INVESTMENTS

Ivy Limited-Term Bond Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT

SECURITIES (Continued)	Principal	Value
Consumer Finance – 6.5%		
American Express Co., 7.000%, 3-19-18	\$10,000	\$ 11,551
American Express Credit Corp., 1.300%, 7-29-16	5,320	5,350
American Honda Finance Corp., 1.500%, 9-11-17 (A) ...	6,000	6,041
7.625%, 10-1-18 (A) ...	5,000	5,978
Capital One Bank USA N.A., 2.150%, 11-21-18	2,650	2,671
Capital One Financial Corp., 6.750%, 9-15-17	9,000	10,124
Capital One N.A., 2.400%, 9-5-19	6,000	6,024
Caterpillar Financial Services Corp., 1.000%, 11-25-16	2,000	2,008
Discover Financial Services, 3.950%, 11-6-24	16,100	16,557
Ford Motor Credit Co. LLC: 1.500%, 1-17-17	2,450	2,455
5.000%, 5-15-18	17,500	19,080
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.), 3.500%, 7-10-19	4,500	4,620
Hyundai Capital America: 1.875%, 8-9-16 (A) ...	4,000	4,035
2.875%, 8-9-18 (A) ...	5,525	5,691
Western Union Co. (The), 5.930%, 10-1-16	7,540	8,040
		<u>110,225</u>
Diversified Banks – 4.6%		
Bank of America Corp., 5.650%, 5-1-18	6,000	6,654
Bank of New York Mellon Corp. (The), 2.300%, 9-11-19	12,750	12,977
Bank of Nova Scotia (The), 2.050%, 10-30-18	14,150	14,343
Commonwealth Bank of Australia, 2.250%, 3-13-19	8,500	8,615
HSBC Bank plc, 3.100%, 5-24-16 (A) ..	6,000	6,160
U.S. Bancorp, 2.200%, 11-15-16	10,000	10,209
Wachovia Corp., 5.750%, 2-1-18	13,500	15,094
Wells Fargo & Co., 2.125%, 4-22-19	4,425	4,479
		<u>78,531</u>

CORPORATE DEBT

SECURITIES (Continued)	Principal	Value
Investment Banking & Brokerage – 2.0%		
Goldman Sachs Group, Inc. (The), 3.700%, 8-1-15	\$ 6,460	\$ 6,523
Merrill Lynch & Co., Inc., 6.400%, 8-28-17	11,000	12,190
Morgan Stanley: 6.000%, 4-28-15	1,000	1,004
5.950%, 12-28-17	12,600	13,967
		<u>33,684</u>
Life & Health Insurance – 1.5%		
Aflac, Inc., 3.625%, 11-15-24	12,500	13,101
MetLife, Inc., 6.817%, 8-15-18	11,000	12,818
		<u>25,919</u>
Other Diversified Financial Services – 5.8%		
Citigroup, Inc.: 1.300%, 11-15-16	5,215	5,223
2.550%, 4-8-19	10,662	10,869
Daimler Finance North America LLC, 1.300%, 7-31-15 (A) ..	16,600	16,644
Fidelity National Financial, Inc., 6.600%, 5-15-17	12,215	13,344
John Deere Capital Corp., 1.200%, 10-10-17	15,000	15,014
JPMorgan Chase & Co., 6.000%, 1-15-18	16,500	18,453
Moody's Corp., 2.750%, 7-15-19	3,350	3,425
TIAA Asset Management Finance Co. LLC, 2.950%, 11-1-19 (A) ..	16,000	16,398
		<u>99,370</u>
Property & Casualty Insurance – 0.8%		
Berkshire Hathaway, Inc.: 2.200%, 8-15-16	2,650	2,709
1.900%, 1-31-17	4,000	4,079
2.100%, 8-14-19	7,375	7,546
		<u>14,334</u>
Regional Banks – 1.0%		
PNC Bank N.A.: 1.300%, 10-3-16	2,000	2,012
2.400%, 10-18-19	5,500	5,605
PNC Funding Corp. (GTD by PNC Financial Services Group, Inc.), 6.700%, 6-10-19	8,500	10,111
		<u>17,728</u>
Specialized REITs – 0.2%		
Crown Castle International Corp., 5.250%, 1-15-23	2,745	2,882
		<u>2,882</u>
Total Financials – 23.4%		399,477

CORPORATE DEBT

SECURITIES (Continued)	Principal	Value
Health Care		
Biotechnology – 0.3%		
Amgen, Inc., 2.125%, 5-15-17	\$ 5,500	\$ 5,600
Health Care Equipment – 2.0%		
Medtronic, Inc., 3.500%, 3-15-25 (A) ..	15,705	16,432
Stryker Corp., 2.000%, 9-30-16	18,110	18,400
		<u>34,832</u>
Health Care Services – 1.0%		
Quest Diagnostics, Inc.: 3.200%, 4-1-16	14,000	14,317
6.400%, 7-1-17	2,000	2,248
		<u>16,565</u>
Health Care Supplies – 2.1%		
Cardinal Health, Inc., 3.500%, 11-15-24	15,250	15,731
Catholic Health Initiatives, 2.600%, 8-1-18	10,180	10,456
DENTSPLY International, Inc., 2.750%, 8-15-16	4,000	4,077
Laboratory Corp. of America Holdings, 2.500%, 11-1-18	5,350	5,463
		<u>35,727</u>
Pharmaceuticals – 3.2%		
AbbVie, Inc., 1.200%, 11-6-15	15,000	15,022
Actavis Funding SCS (GTD by Warner Chilcott Ltd., Actavis Capital S.a.r.l. and Actavis, Inc.), 2.350%, 3-12-18	6,750	6,840
GlaxoSmithKline Capital, Inc., 5.650%, 5-15-18	6,600	7,461
Merck & Co., Inc., 1.100%, 1-31-18	4,925	4,915
Mylan, Inc.: 1.350%, 11-29-16	4,291	4,285
7.875%, 7-15-20 (A) ..	14,920	15,763
		<u>54,286</u>
Total Health Care – 8.6%		147,010
Industrials		
Airlines – 0.3%		
Southwest Airlines Co., 5.125%, 3-1-17	5,000	5,345
Construction Machinery & Heavy Trucks – 1.0%		
Joy Global, Inc., 6.000%, 11-15-16	16,157	17,335

SCHEDULE OF INVESTMENTS

Ivy Limited-Term Bond Fund *(in thousands)*

MARCH 31, 2015

CORPORATE DEBT

SECURITIES (Continued)

	Principal	Value
Environmental & Facilities Services – 1.7%		
Republic Services, Inc., 3.800%, 5–15–18	\$14,690	\$ 15,572
Waste Management, Inc.: 6.100%, 3–15–18	10,000	11,291
4.750%, 6–30–20	1,675	1,870
		<u>28,733</u>
Industrial Conglomerates – 1.5%		
Danaher Corp., 5.400%, 3–1–19	7,700	8,767
General Electric Capital Corp., 5.625%, 5–1–18	15,500	17,401
		<u>26,168</u>
Trading Companies & Distributors – 0.7%		
HD Supply, Inc., 5.250%, 12–15–21 (A)	11,249	11,587
Trucking – 1.3%		
Penske Truck Leasing Co. L.P., 2.500%, 3–15–16 (A)	6,000	6,087
Penske Truck Leasing Co. L.P. and PTL Finance Corp., 3.750%, 5–11–17 (A)	10,350	10,793
Ryder System, Inc., 2.450%, 11–15–18	4,650	4,729
		<u>21,609</u>
Total Industrials – 6.5%		110,777
Information Technology		
Data Processing & Outsourced Services – 1.1%		
Alliance Data Systems Corp.: 5.250%, 12–1–17 (A)	6,600	6,831
6.375%, 4–1–20 (A)	6,000	6,210
5.375%, 8–1–22 (A)	5,338	5,325
		<u>18,366</u>
Electronic Equipment & Instruments – 0.9%		
Xerox Corp., 6.350%, 5–15–18	14,000	15,833
Electronic Manufacturing Services – 0.8%		
Jabil Circuit, Inc., 7.750%, 7–15–16	12,676	13,595
Internet Software & Services – 0.3%		
eBay, Inc., 1.350%, 7–15–17	5,000	4,993
Systems Software – 0.7%		
CA, Inc., 5.375%, 12–1–19	9,890	11,060

CORPORATE DEBT

SECURITIES (Continued)

	Principal	Value
Technology Hardware, Storage & Peripherals – 1.1%		
Apple, Inc., 1.550%, 2–7–20	\$19,000	\$18,880
Total Information Technology – 4.9%		82,727
Materials		
Diversified Chemicals – 1.4%		
Dow Chemical Co. (The), 4.250%, 11–15–20	11,382	12,486
E.I. du Pont de Nemours and Co., 2.750%, 4–1–16	11,500	11,738
		<u>24,224</u>
Diversified Metals & Mining – 0.7%		
Rio Tinto Finance (USA) Ltd., 2.250%, 9–20–16	12,500	12,745
Metal & Glass Containers – 0.6%		
FBG Finance Ltd., 7.875%, 6–1–16 (A)	9,000	9,683
Specialty Chemicals – 1.1%		
Methanex Corp., 3.250%, 12–15–19	17,832	18,244
Total Materials – 3.8%		64,896
Telecommunication Services		
Integrated Telecommunication Services – 1.8%		
AT&T, Inc., 2.950%, 5–15–16	6,715	6,854
CC Holdings GS V LLC, 2.381%, 12–15–17	8,335	8,403
Verizon Communications, Inc., 6.350%, 4–1–19	14,000	16,292
		<u>31,549</u>
Wireless Telecommunication Service – 1.0%		
American Tower Corp., 5.900%, 11–1–21	14,500	16,713
Total Telecommunication Services – 2.8%		48,262
Utilities		
Electric Utilities – 1.0%		
Kansas City Power & Light Co., 7.150%, 4–1–19	13,555	16,256
Multi-Utilities – 1.0%		
Dominion Resources, Inc., 6.400%, 6–15–18	11,118	12,715

CORPORATE DEBT

SECURITIES (Continued)

	Principal	Value
Dominion Resources, Inc., Series A, 1.400%, 9–15–17	\$ 4,850	\$ 4,855
		<u>17,570</u>
Total Utilities – 2.0%		33,826
TOTAL CORPORATE DEBT SECURITIES – 76.7%		\$1,309,326
(Cost: \$1,289,714)		
MUNICIPAL BONDS – TAXABLE		
Hawaii – 0.2%		
Cnty of Kauai, Taxable GO Bonds, Ser 2010A, 3.335%, 8–1–16	2,600	2,696
TOTAL MUNICIPAL BONDS – TAXABLE – 0.2%		\$ 2,696
(Cost: \$2,600)		
UNITED STATES GOVERNMENT AGENCY OBLIGATIONS		
Agency Obligations – 0.1%		
Federal Home Loan Bank, 4.780%, 1–25–17	1,061	1,122
Mortgage-Backed Obligations – 9.9%		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO: 4.000%, 6–15–26	13,465	14,563
4.500%, 5–15–32	1,262	1,288
5.000%, 12–15–34	759	834
Federal Home Loan Mortgage Corp. Fixed Rate Participation Certificates: 5.500%, 4–1–20	728	782
3.000%, 1–1–33	8,482	8,797
Federal Home Loan Mortgage Corp. Fixed Rate Pass-Through Certificates: 3.000%, 8–1–28	13,547	14,193
3.000%, 9–1–28	13,019	13,631
Federal National Mortgage Association Agency REMIC/CMO: 5.500%, 12–25–17	1,634	1,709
2.000%, 4–25–39	11,848	11,744
Federal National Mortgage Association Fixed Rate Pass- Through Certificates: 2.000%, 12–30–15	10,000	10,129

SCHEDULE OF INVESTMENTS

Ivy Limited-Term Bond Fund *(in thousands)*

MARCH 31, 2015

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS (Continued)

	Principal	Value
Mortgage-Backed Obligations (Continued)		
5.500%, 9-1-17	\$ 1,623	\$ 1,705
0.875%, 10-26-17	15,000	15,021
4.513%, 12-1-19	11,231	12,519
4.380%, 6-1-21	14,643	16,444
5.500%, 10-1-21	2,701	2,921
5.450%, 10-18-21	8,028	8,622
5.500%, 2-1-22	1,455	1,577
6.000%, 7-1-22	990	1,095
3.500%, 8-1-26	7,233	7,741
3.000%, 7-1-28	12,873	13,494
Government National Mortgage Association Agency REMIC/CMO, 2.000%, 3-16-42	10,991	10,862
		<u>169,671</u>

**TOTAL UNITED STATES
GOVERNMENT AGENCY
OBLIGATIONS – 10.0%**

\$170,793

(Cost: \$169,012)

UNITED STATES GOVERNMENT OBLIGATIONS

Treasury Obligations – 6.0%		
U.S. Treasury Notes:		
2.500%, 4-30-15	25,000	25,047
2.125%, 5-31-15	12,500	12,538
1.750%, 5-31-16	13,000	13,210
1.500%, 7-31-16	15,000	15,217
2.750%, 2-28-18	35,000	36,887
		<u>102,899</u>

**TOTAL UNITED STATES
GOVERNMENT
OBLIGATIONS – 6.0%**

\$102,899

(Cost: \$102,398)

Notes to Schedule of Investments

(A) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2015 the total value of these securities amounted to \$197,999 or 11.6% of net assets.

(B) Rate shown is the yield to maturity at March 31, 2015.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Corporate Debt Securities	\$ —	\$1,309,326	\$ —
Municipal Bonds	—	2,696	—
United States Government Agency Obligations	—	170,793	—
United States Government Obligations	—	102,899	—
Short-Term Securities	—	107,410	—
Total	\$ —	\$1,693,124	\$ —

During the period ended March 31, 2015, securities totaling \$28,544 were transferred from Level 3 to Level 2 due to increased availability of observable market data due to increased market activity or information for these securities. Transfers out of Level 3 represent the values as of the beginning of the reporting period. There were no transfers between Level 1 and 2 during the period.

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation
 GTD = Guaranteed
 REMIC = Real Estate Mortgage Investment Conduit
 REIT = Real Estate Investment Trust

SHORT-TERM SECURITIES

	Principal	Value
Commercial Paper (B) – 5.5%		
Becton Dickinson & Co., 0.470%, 4-9-15	\$ 3,000	\$ 3,000
CVS Caremark Corp., 0.470%, 4-27-15	5,000	4,998
Danaher Corp., 0.080%, 4-10-15	5,000	5,000
Diageo Capital plc (GTD by Diageo plc), 0.570%, 4-7-15	2,500	2,500
J.M. Smucker Co. (The), 0.280%, 4-1-15	4,526	4,526
Kellogg Co.: 0.430%, 4-1-15	5,000	5,000
0.470%, 4-7-15	3,231	3,231
0.430%, 4-9-15	6,000	5,999
Kroger Co. (The), 0.310%, 4-7-15	6,000	5,999
Mondelez International, Inc., 0.400%, 4-2-15	15,000	15,000
Northern Illinois Gas Co., 0.380%, 4-14-15	8,000	7,999
Unilever Capital Corp. (GTD by Unilever N.V.), 0.140%, 4-8-15	11,000	11,000
Wisconsin Gas LLC: 0.130%, 4-8-15	14,000	13,999
0.170%, 4-9-15	5,500	5,500
		<u>93,751</u>
Master Note – 0.1%		
Toyota Motor Credit Corp., 0.130%, 4-1-15 (C)	1,659	1,659

SHORT-TERM SECURITIES (Continued)

	Principal	Value
Municipal Obligations – 0.7%		
NY State Hsng Fin Agy, Riverside Ctr 2 Hsng Rev Bonds, Ser 2013A-1 (GTD by Bank of America N.A.), 0.020%, 4-7-15 (C) ..	\$12,000	\$ 12,000
TOTAL SHORT-TERM SECURITIES – 6.3%		\$ 107,410
(Cost: \$107,411)		
TOTAL INVESTMENT SECURITIES – 99.2%		\$1,693,124
(Cost: \$1,671,135)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.8%		14,268
NET ASSETS – 100.0%		\$1,707,392



Michael L. Avery

Below, Michael L. Avery, portfolio manager of the Ivy Managed International Opportunities Fund, discusses the positioning, performance and results for the fiscal year ended March 31, 2015. He has managed the Fund since its inception on April 2, 2007, and he has 36 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Managed International Opportunities Fund (Class A shares at net asset value)	5.17%
Ivy Managed International Opportunities Fund (Class A shares including sales charges)	-0.89%
Benchmark	
MSCI AC World ex USA Index (generally reflects the performance of overseas stocks)	-1.01%

Please note that Fund returns include applicable fees and expenses, whereas index returns do not include any such fees. The performance discussion below is at net asset value.

Market gains after volatile year

U.S. equities closed a somewhat volatile year with gains after repeatedly reaching record highs in broad market indexes during the period. In October 2014, the S&P 500 Index broke below its 200-day moving average for the first time in almost two years. Global equities in general also finished the year higher. Crude oil prices plunged worldwide in the second half of 2014 to levels not seen since 2009 on forecasts of reduced global demand, along with OPEC's unwillingness to cut production. Late in the fiscal year, oil seemed to have found some support around the \$50 per barrel level. While the debate continues about when and where the price ultimately bottoms, we believe lower oil prices should translate into another powerful tailwind for global growth.

The U.S. Federal Reserve removed "patient" from its March 18, 2015, statement, likely to allow flexibility in the timing of interest rate hikes, but then lowered its forecast for gross domestic product and inserted language assuring the markets that it would not raise rates until it was "reasonably confident" the 2% inflation target is achieved. Markets rallied on the news and took this to mean higher short-term rates were unlikely until the second half of 2015.

At least 20 global central banks were in easing mode during the final quarter of the fiscal year — including the Bank of Japan and the People's Bank of China — to stimulate their economies and, in most cases, weaken their currencies. The most surprising move in our view was by the Swiss National Bank in January 2015, which cut interest rates by 0.5 percentage points and removed its four-year-old currency peg to the euro. In March 2015, the European Central Bank began its own quantitative easing program, implementing a larger-than-expected bond purchasing program of more than 1 trillion euros. By the end of the fiscal year, activity and sentiment showed improvement in the Eurozone, led by Germany. Both the Northern and Southern European regions, except Greece, benefitted from extremely low yields. Greece's membership in the European Union remained unresolved as the fiscal year came to a close, but we do not think there is much interest on either side for the country to leave the European Union. Geopolitical forces, including the continued turmoil in Ukraine and Russia — which prompted economic sanctions against some Russian banks by western countries in the first half of 2014 — and across the Middle East, unsettled global markets at various times during the year.

U.S. economic trends remained positive during the fiscal year, although the economy looked somewhat softer in the final quarter. It is widely assumed that change was because of bad winter storms and a work stoppage at West Coast ports. We think it is likely the data will show improvement as we move through 2015.

Portfolio review

The Fund ended the fiscal year with a positive return and outperformed its benchmark index, which had a negative return.

This result primarily was related to the solid performance in three underlying funds and the allocation weighting to them: Ivy Emerging Markets Equity Fund, Ivy Global Growth Fund and Ivy International Core Equity Fund. Key contributors to the performance of these funds relative to their benchmark indexes included strong stock selection as well as their sector and country allocations.

We ended the year with the largest percentage of the Fund's assets allocated to Ivy Emerging Markets Equity Fund at approximately 40%. We kept a significant allocation to the Ivy Global Growth Fund — formerly the Ivy International Growth Fund — at 20% to maintain wide exposure to global markets overall. The same was true for the allocation to the Ivy International Core Equity Fund, which we maintained at about a 20% allocation. The allocations to Ivy Global Income Allocation Fund and Ivy European Opportunities Fund each remained at roughly 10% during the year. These allocations reflect our theme focused on the rising prosperity of a growing global middle class with greater discretionary income across the emerging markets.

A look ahead

We believe the U.S. economy remains the most attractive globally. In our view, the prospect for rising domestic consumption, combined with reasonable valuations and a lack of favorable alternatives, make U.S.-exposed stocks our preferred asset class in 2015. We continue to actively look for global companies that can capitalize on these expectations.

We think lower energy prices have provided an additional boon to consumers in the U.S. and globally, especially in India and China. Consumer sentiment has broadly improved. However, business sentiment, particularly in the last quarter of the fiscal year, has been tempered by the effects of the strengthening dollar and declining oil prices.

We are watching carefully for the time when interest rates will rise, although at fiscal year-end the timing of those rate hikes seemed to be farther in the future. Looking ahead, we think the possible unintended consequences associated with global central bank policies are a primary risk for the markets.

Performance shown at NAV does not include the effect of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These risks are magnified in emerging markets. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of Ivy Managed International Opportunities Fund's performance.

Ivy Managed International Opportunities Fund

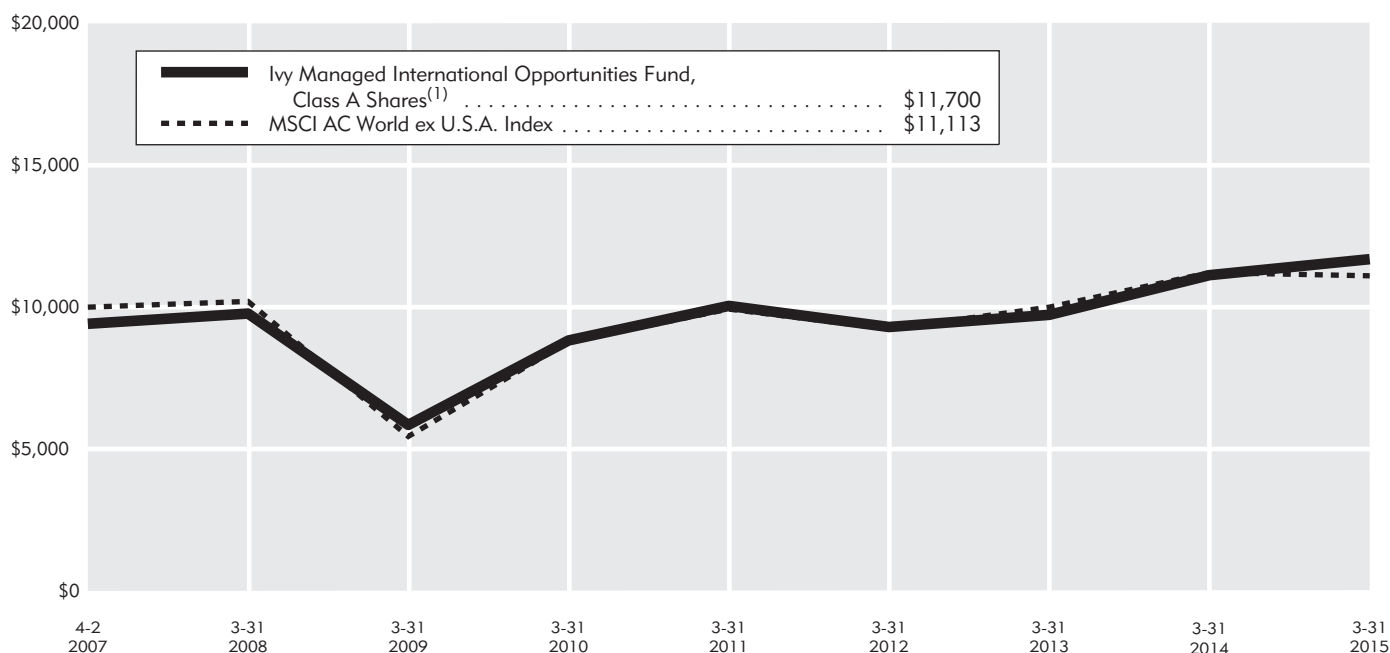
Ivy Emerging Markets Equity Fund, Class I	40.4%
Ivy International Core Equity Fund, Class I	20.2%
Ivy Global Growth Fund, Class I	20.1%
Ivy Global Income Allocation Fund, Class I	9.8%
Ivy European Opportunities Fund, Class I	9.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.1%

The percentages of investments in the underlying funds may not currently be within the target allocation ranges disclosed in the Fund's prospectus due to market movements; these percentages are expected to change over time, and deviation from the target allocation ranges due to market movements is permitted by the prospectus.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT Ivy Managed International Opportunities Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class Y
1-year period ended 3-31-15	-0.89%	0.28%	4.32%	-0.81%	5.41%	5.07%	5.26%
5-year period ended 3-31-15	4.58%	4.79%	5.03%	4.63%	6.07%	—	5.88%
10-year period ended 3-31-15	—	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁶⁾	1.98%	1.89%	1.98%	2.08%	3.05%	8.77%	2.79%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-2-07 for Class A shares, 4-2-07 for Class B shares, 4-2-07 for Class C shares, 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 4-2-07 for Class Y shares (the date on which shares were first acquired by shareholders).

On March 17, 2014, the Ivy Managed European/Pacific Fund merged into the Fund. Performance prior to such time in part reflects the Ivy Pacific Opportunities Fund's former strategy and may have differed if the merger had not taken place.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Managed International Opportunities Fund *(in thousands)*

MARCH 31, 2015

AFFILIATED MUTUAL FUNDS	Shares	Value	SHORT-TERM SECURITIES	Principal	Value
Ivy Emerging Markets Equity Fund, Class I	5,869	\$ 96,552	Master Note – 0.1% Toyota Motor Credit Corp., 0.130%, 4–1–15 (A)	\$262	\$ 262
Ivy European Opportunities Fund, Class I	761	22,369			
Ivy Global Growth Fund, Class I	1,114	48,170			
Ivy Global Income Allocation Fund, Class I	1,507	23,421			
Ivy International Core Equity Fund, Class I	2,682	48,255			
TOTAL AFFILIATED MUTUAL FUNDS – 99.9%		\$238,767	TOTAL SHORT-TERM SECURITIES – 0.1%		\$ 262
(Cost: \$167,162)			(Cost: \$262)		
			TOTAL INVESTMENT SECURITIES – 100.0%		\$239,029
			(Cost: \$167,424)		
			CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.0%		4
			NET ASSETS – 100.0%		\$239,033

Notes to Schedule of Investments

(A)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Affiliated Mutual Funds	\$238,767	\$ —	\$—
Short-Term Securities	—	262	—
Total	<u>\$238,767</u>	<u>\$262</u>	<u>\$—</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

See Accompanying Notes to Financial Statements.



Paul J. Ariano

Ivy Micro Cap Growth Fund is subadvised by Wall Street Associates (WSA). The WSA Investment Team is primarily responsible for the day-to-day management of the Fund. The WSA Investment Team consists of Paul J. Ariano, CFA, Paul K. LeCoq, Luke A. Jacobson, CFA, and Alexis C. Waadt. They each have co-managed the Fund since its inception in February 2009, except Mr. Jacobson who became a co-manager in January 2012 and Ms. Waadt who became a co-manager in January 2013.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Micro Cap Growth Fund (Class A shares at net asset value)	–3.91%
Ivy Micro Cap Growth Fund (Class A shares including sales charges)	–9.45%
Benchmark(s) and/or Lipper Category	
Russell 2000 Growth Index (generally reflects the performance of smaller market cap company stocks within the growth market)	12.06%
Russell Microcap Growth Index (generally reflects the performance of stocks in the smallest category of publicly traded companies within the growth market)	5.10%
Lipper Small-Cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	8.09%



Paul K. LeCoq

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. Multiple indexes are shown because the Fund's management team expects to typically invest in companies within a wider range of market capitalization. The performance discussion below is at net asset value.

Key drivers

Equity markets experienced high volatility over the trailing 12 months as worries over geopolitical unrest, tepid economic growth at home and abroad, a hyperbolic dollar, plummeting oil prices and the impact of the Federal Reserve's (Fed) transition from "tapering" to the inevitable "first rate hike" weighed on investor confidence. Micro-cap stocks were the worst performing size segment for the 12-months ended March 31, 2015, lagging their small-, mid- and large-capitalization counterparts. Within the benchmark Russell 2000 Growth Index, the smallest market cap stocks dramatically lagged the benchmark while the largest market cap names were the best performers in each of the past four quarters.



Luke Jacobson

Contributors and detractors

The Fund underperformed its benchmarks for the 12-month period ended March 31, 2015. Technology stocks (software) had the largest negative impact on performance. The strengthening dollar was a bit of a headwind for the group. In addition, the Fund's micro-cap technology names significantly underperformed their small-cap counterparts in the benchmark. Investments in the energy sector significantly detracted from returns, amid plummeting commodity prices in the second half of 2014. Energy-sensitive groups within the industrials sector (building materials, construction and machinery) also reduced returns. The consumer groups produced mixed results; however, the previously high-flying restaurants and specialty grocers were a drag on performance.



Alexis C. Waadt

Investments in the health care sector provided the greatest contribution to the Fund's return, driven by the biotechnology and pharmaceutical groups. The Fund benefited from an overweighted allocation to the group. Investments in the financials sector also added to returns, particularly real estate investment trusts.

In summary, the trailing 12 months was a tough environment for micro-cap growth stocks and the driving force behind the Fund's negative performance was the capitalization size of stocks within the portfolio, which stocks were definitely not favored during the fiscal year.

The Fund is currently significantly overweight the health care sector, including pharmaceuticals, biotechnology and medical instruments. It has a market-weighting consistent with its benchmark(s) in the technology and consumer discretionary sectors. We expect the consumer group to benefit from low oil/gas prices and easy comparisons versus 2014's results during the polar vortex; however, we are being quite selective in the group and are avoiding the traditional mall-based retailers. The Fund has a market-weighting position consistent with its benchmark(s) in the energy sector, although these investments are geared more toward solar and energy technologies versus oil-related companies. The portfolio is underweight the materials sector, as commodities-sensitive stocks continue to be impacted by a strengthening U.S. dollar. The Fund currently is also underweight the financials sector.

Outlook

Our current expectations are that the Fed will be gentle and slow as it begins its interest rate hike cycle. However, history shows that the actual market response to Fed action may initially be turbulent despite all of the transparency and communication. On the other hand, properly executed monetary policy actions could likely result in large quantities of investment capital to flow to the U.S. The strong dollar could restrain business activity

somewhat, but could also restrain inflation and interest rates — and the Fed may even be able to reduce its balance sheet by selling treasuries to the rest of the world.

In this environment, we believe companies that exhibit strong and highly predictable rates of growth will command premium valuations. While external shocks and headline risks might heighten the overall global economic risk profile, we believe recession fears remain off the table and stock market dips provide opportunities. At points like this, we find that company fundamentals eventually become the primary driver for stock market action and a positive scenario for growth stocks unfolds.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment. Investing in micro-cap stocks may carry more risk than investing in stocks of larger, more established companies. Prices of growth stocks may be more sensitive to changes in current or expected earnings than the prices of other stocks. Growth stocks may not perform as well as value stocks or the stock market in general. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted are unmanaged, include reinvested dividends and do not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Micro Cap Growth Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Micro Cap Growth Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.8%
Health Care	35.7%
Consumer Discretionary	19.2%
Information Technology	16.3%
Industrials	12.4%
Consumer Staples	5.1%
Financials	4.2%
Telecommunication Services	3.2%
Energy	1.7%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	2.2%

Lipper Rankings

Category: Lipper Small-Cap Growth Funds	Rank	Percentile
1 Year	531/539	99
3 Year	400/477	84
5 Year	282/416	68

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Auspex Pharmaceuticals, Inc.	Health Care	Biotechnology
Repligen Corp.	Health Care	Biotechnology
Aerie Pharmaceuticals, Inc.	Health Care	Pharmaceuticals
Quidel Corp.	Health Care	Health Care Supplies
2U, Inc.	Consumer Discretionary	Education Services
Callidus Software, Inc.	Information Technology	Application Software
NewLink Genetics Corp.	Health Care	Biotechnology
Retrophin, Inc.	Health Care	Biotechnology
Pernix Therapeutics Holdings, Inc.	Health Care	Pharmaceuticals
Covenant Transportation Group, Inc., Class A	Industrials	Trucking

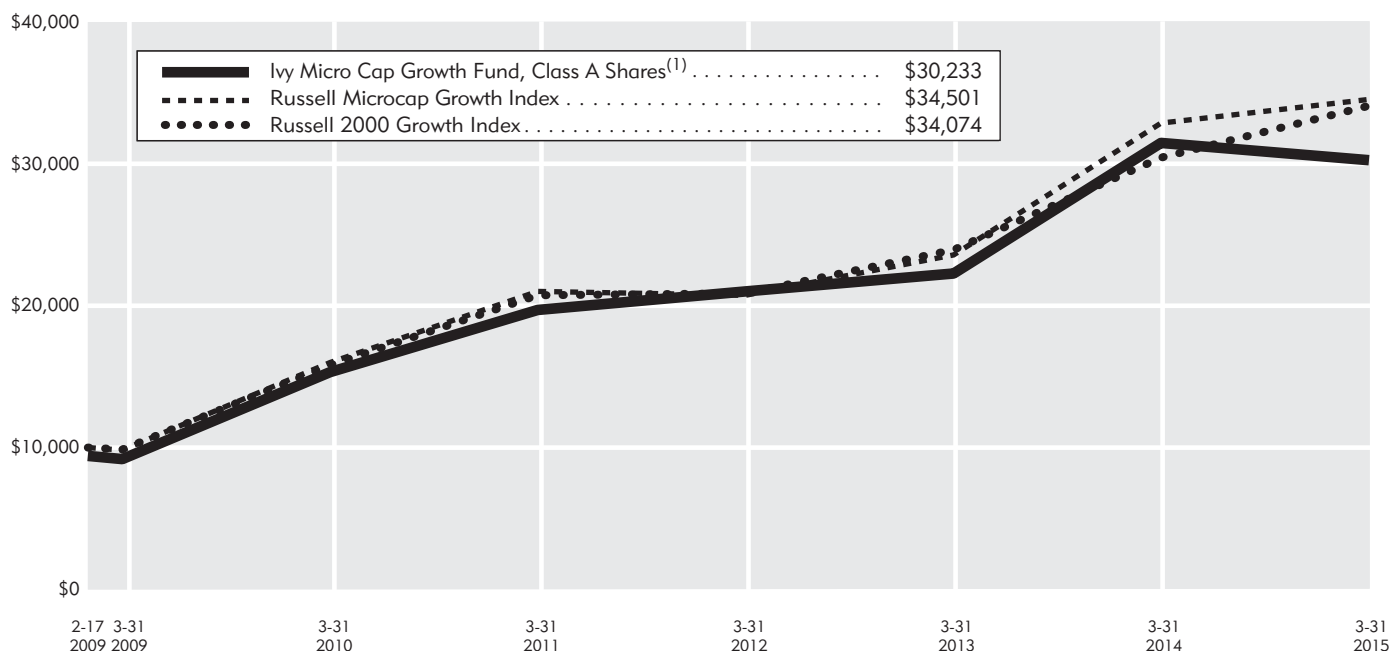
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Micro Cap Growth Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-9.45%	-8.42%	-4.63%	-3.56%	-4.08%	—	-3.77%
5-year period ended 3-31-15	13.26%	13.21%	13.72%	15.10%	—	—	15.29%
10-year period ended 3-31-15	—	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁵⁾	19.83%	19.57%	20.01%	21.49%	21.45%	12.53%	21.51%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 2-17-09 for Class A shares, 2-17-09 for Class B shares, 2-17-09 for Class C shares, 2-17-09 for Class I shares, 12-19-12 for Class R shares, 7-31-14 for Class R6 shares and 2-17-09 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Micro Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary			Specialty Stores – 1.4%			Thrifts & Mortgage Finance – 0.4%		
Apparel Retail – 1.4%			Build-A-Bear Workshop, Inc. (A)	163	\$ 3,211	PennyMac Financial Services, Inc., Class A (A)	58	\$ 988
Boot Barn Holdings, Inc. (A)	67	\$ 1,602						
Christopher & Banks Corp. (A)	308	1,710	Total Consumer Discretionary – 19.2%		45,295	Total Financials – 4.2%		9,927
		<u>3,312</u>	Consumer Staples			Health Care		
Apparel, Accessories & Luxury Goods – 1.0%			Food Distributors – 0.7%			Biotechnology – 15.1%		
Movado Group, Inc.	85	2,430	Chefs' Warehouse Holdings LLC (The) (A)	70	1,561	Acceleron Pharma, Inc. (A) . .	46	1,755
Broadcasting – 0.6%			Food Retail – 1.3%			Ardelyx, Inc. (A)	109	1,432
Entravision Communications Corp.	232	1,470	Natural Grocers by Vitamin Cottage, Inc. (A)	114	3,151	Argos Therapeutics, Inc. (A)	131	1,165
Catalog Retail – 0.1%			Packaged Foods & Meats – 0.7%			Auspex Pharmaceuticals, Inc. (A)	85	8,503
ValueVision Media, Inc. (A)	50	337	Inventure Foods, Inc. (A)	154	1,723	Cara Therapeutics, Inc. (A) . .	162	1,624
Education Services – 1.8%			Personal Products – 2.4%			Concert Pharmaceuticals, Inc. (A)	167	2,529
2U, Inc. (A)	169	4,315	IGI Laboratories, Inc. (A)	269	2,194	Enanta Pharmaceuticals, Inc. (A)	88	2,704
Home Improvement Retail – 1.0%			Inter Parfums, Inc.	108	3,507	NewLink Genetics Corp. (A)	71	3,868
Tile Shop Holdings, Inc. (A)	185	2,245			<u>5,701</u>	Repligen Corp. (A)	184	5,592
Homebuilding – 0.8%			Total Consumer Staples – 5.1%		12,136	Retrophin, Inc. (A)	157	3,769
M/I Homes, Inc. (A)	77	1,826	Energy			Synergy Pharmaceuticals, Inc. (A)	235	1,087
Homefurnishing Retail – 0.9%			Oil & Gas Drilling – 0.4%			Verastem, Inc. (A)	163	1,658
Kirkland's, Inc. (A)	91	2,164	Pioneer Drilling Co. (A)	173	936			<u>35,686</u>
Hotels, Resorts & Cruise Lines – 0.5%			Oil & Gas Equipment & Services – 1.0%			Health Care Equipment – 4.6%		
Morgans Hotel Group Co. (A)	165	1,277	Basic Energy Services, Inc. (A)	98	676	Avinger, Inc. (A)	96	1,069
Leisure Products – 3.5%			RigNet, Inc. (A)	58	1,664	Cardiovascular Systems, Inc. (A)	92	3,584
Arctic Cat, Inc.	65	2,343			<u>2,340</u>	K2M Group Holdings, Inc. (A)	107	2,361
Malibu Boats, Inc., Class A (A)	114	2,653	Oil & Gas Exploration & Production – 0.3%			Oxford Immunotec Global plc (A)	157	2,211
Nautilus Group, Inc. (The) (A)	214	3,266	Triangle Petroleum Corp. (A)	140	706	Sunshine Heart, Inc. (A)	195	827
		<u>8,262</u>	Total Energy – 1.7%		3,982	Veracyte, Inc. (A)	102	743
Movies & Entertainment – 1.4%			Financials					<u>10,795</u>
Rentrak Corp. (A)	57	3,184	Asset Management & Custody Banks – 1.5%			Health Care Facilities – 2.3%		
Restaurants – 4.8%			Actua Corp. (A)	78	1,205	AAC Holdings, Inc. (A)	87	2,654
Dave & Buster's Entertainment, Inc. (A)	68	2,084	Hannon Armstrong Sustainable Infrastructure Capital, Inc.	131	2,389	Surgical Care Affiliates, Inc. (A)	79	2,702
Del Frisco's Restaurant Group, Inc. (A)	123	2,468			<u>3,594</u>			<u>5,356</u>
El Pollo Loco Holdings, Inc. (A)	86	2,192	Investment Banking & Brokerage – 0.7%			Health Care Services – 2.7%		
Habit Restaurants, Inc. (The), Class A (A)	57	1,838	Marcus & Millichap, Inc. (A)	43	1,604	Adeptus Health, Inc., Class A (A)	71	3,550
Red Robin Gourmet Burgers, Inc. (A)	31	2,680	Office REITs – 0.6%			Cross Country Healthcare, Inc. (A)	243	2,887
		<u>11,262</u>	City Office REIT, Inc.	109	1,390			<u>6,437</u>
			Specialized REITs – 1.0%			Health Care Supplies – 2.0%		
			Ashford Hospitality Prime, Inc.	140	2,351	Quidel Corp. (A)	160	4,317
						TearLab Corp. (A)	250	497
								<u>4,814</u>
						Health Care Technology – 1.9%		
						HealthStream, Inc. (A)	79	1,983
						Imprivata, Inc. (A)	178	2,494
								<u>4,477</u>

SCHEDULE OF INVESTMENTS

Ivy Micro Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Pharmaceuticals – 7.1%		
Aerie Pharmaceuticals, Inc. (A)	148	\$ 4,623
Intersect ENT, Inc. (A)	111	2,875
Intra-Cellular Therapies, Inc. (A)	101	2,421
Pernix Therapeutics Holdings, Inc. (A)	345	3,685
ZS Pharma, Inc. (A)	79	3,320
		<u>16,924</u>
Total Health Care – 35.7%		84,489
Industrials		
Building Products – 2.9%		
Builders FirstSource, Inc. (A)	240	1,599
NCI Building Systems, Inc. (A)	166	2,872
PGT, Inc. (A)	208	2,324
		<u>6,795</u>
Construction & Engineering – 0.8%		
Orion Marine Group, Inc. (A)	205	1,815
Construction Machinery & Heavy Trucks – 0.9%		
Wabash National Corp. (A)	157	2,207
Electrical Components & Equipment – 1.2%		
Enphase Energy, Inc. (A)	147	1,935
Orion Energy Systems, Inc. (A)	267	839
		<u>2,774</u>
Industrial Machinery – 0.8%		
Neff Corp., Class A (A)	190	2,002
Office Services & Supplies – 2.2%		
ARC Document Solutions, Inc. (A)	366	3,381
CyrusOne, Inc.	64	1,979
		<u>5,360</u>
Trucking – 3.6%		
Celadon Group, Inc.	41	1,121
Covenant Transportation Group, Inc., Class A (A)	111	3,684
Marten Transport Ltd.	88	2,039
Roadrunner Transportation Systems, Inc. (A)	65	1,648
		<u>8,492</u>
Total Industrials – 12.4%		29,445

COMMON STOCKS

(Continued)

	Shares	Value
Information Technology		
Application Software – 2.6%		
Callidus Software, Inc. (A)	331	\$ 4,191
Materialise N.V. ADR (A)	109	758
Yodlee, Inc. (A)	91	1,220
		<u>6,169</u>
Communications Equipment – 1.5%		
Ruckus Wireless, Inc. (A)	163	2,098
ShoreTel, Inc. (A)	231	1,576
		<u>3,674</u>
Electronic Equipment & Instruments – 0.5%		
CUI Global, Inc. (A)	221	1,296
Electronic Manufacturing Services – 0.8%		
M/A-COM Technology Solutions Holdings, Inc. (A)	51	1,889
Home Entertainment Software – 0.4%		
Glu Mobile, Inc. (A)	170	852
Internet Software & Services – 3.8%		
Amber Road, Inc. (A)	238	2,203
Boingo Wireless, Inc. (A)	168	1,267
Q2 Holdings, Inc. (A)	99	2,088
SPS Commerce, Inc. (A)	25	1,644
Tech Target, Inc. (A)	146	1,686
		<u>8,888</u>
IT Consulting & Other Services – 1.1%		
Virtusa Corp. (A)	62	2,553
Semiconductor Equipment – 1.8%		
MaxLinear, Inc., Class A (A)	203	1,652
Nanometrics, Inc. (A)	84	1,408
Ultra Clean Holdings, Inc. (A)	181	1,292
		<u>4,352</u>
Semiconductors – 0.7%		
Exar Corp. (A)	160	1,610
Systems Software – 2.5%		
Barracuda Networks, Inc. (A)	47	1,812
TubeMogul, Inc. (A)	174	2,401
Varonis Systems, Inc. (A)	63	1,619
		<u>5,832</u>
Technology Hardware, Storage & Peripherals – 0.6%		
Datalink Corp. (A)	126	1,517
Total Information Technology – 16.3%		38,632

COMMON STOCKS

(Continued)

	Shares	Value
Telecommunication Services		
Alternative Carriers – 1.0%		
inContact, Inc. (A)	219	\$ 2,382
Integrated Telecommunication Services – 1.4%		
Global Telecom & Technology, Inc. (A)	180	3,400
Wireless Telecommunication Service – 0.8%		
RingCentral, Inc., Class A (A)	116	1,775
Total Telecommunication Services – 3.2%		7,557
TOTAL COMMON STOCKS – 97.8%		\$231,463
(Cost: \$181,744)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (B) – 2.3%		
J.M. Smucker Co. (The), 0.280%, 4–1–15	\$5,421	5,421
Master Note – 0.5%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (C)	1,190	1,190
TOTAL SHORT-TERM SECURITIES – 2.8%		\$ 6,611
(Cost: \$6,611)		
TOTAL INVESTMENT SECURITIES – 100.6%		\$238,074
(Cost: \$188,355)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.6)%		(1,507)
NET ASSETS – 100.0%		\$236,567

SCHEDULE OF INVESTMENTS

Ivy Micro Cap Growth Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Rate shown is the yield to maturity at March 31, 2015.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$231,463	\$ —	\$ —
Short-Term Securities	—	6,611	—
Total	<u>\$231,463</u>	<u>\$ 6,611</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.



Kimberly A. Scott

Below, Kimberly A. Scott, CFA, portfolio manager of Ivy Mid Cap Growth Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. She has managed the Fund since 2001 and has 28 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Mid Cap Growth Fund (Class A shares at net asset value)	10.73%
Ivy Mid Cap Growth Fund (Class A shares including sales charges)	4.37%
Benchmark(s) and/or Lipper Category	
Russell Midcap Growth Index (generally reflects the performance of securities that represent the mid-cap sector of the stock market)	15.56%
Lipper Mid-cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	11.59%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Key drivers

We fought a few key battles in the fiscal year, the biggest and most impactful being the current risk-on environment that favored lower-quality business models, balance sheets and strong differentiated growth, either real or perceived. Non-earners, low return-on-equity and high debt-to-total capitalization companies soared in value relative to the rest of the market for much of the year. We are encouraged, however, that the market environment is transitioning to one of more sound thinking about creditworthiness and stability, and sustainability of earnings.

Contributors and detractors

Although the Fund had positive returns on a relative basis, it underperformed the benchmark index for the fiscal year ended March 31, 2015. The primary factors in the Fund's underperformance were stock selection issues, first in energy, and secondarily in financials. Additionally, the Fund's industrials stocks turned in weak performance.

The Fund's energy holdings were weak across the board, as the swift decline in the price of oil since last June, but most notably within the final quarter of calendar year 2014, became a woodshed moment for the group generally, and the Fund's holdings specifically. The largest negative contribution to the Fund during the fiscal year came from companies with exposure to domestic shale oil drilling in the Bakken region, as well as those related to deepwater drilling. We understand the severe reaction by investors to the rapid changes in the economics of oil- and gas-related companies, but are of the opinion that the problem has been considerably underappreciated, as the dynamics of shale oil drilling may be such that the oversupply problem is solved with greater expediency than we've seen historically. In that regard, we have retained our energy positions in the Fund and have added exposure since late 2014, in both new and existing positions, where we have seen stock price opportunities present themselves. Noble Energy and Cimarex Energy are both new holdings since late 2014.

The performance of the Fund's financials stocks was also weak relative to the benchmark, primarily due to a lack of exposure to strongly performing real estate investment trust stocks, which continued to be favored by investors because of their healthy dividends and access to inexpensive capital to run their businesses. We were slightly underweight the outperforming financials sector and a few of the Fund's holdings turned in weak performance, including UMB Financial and Oaktree Capital Group. While Signature Bank of New York, First Republic Bank and Northern Trust all posted gains for the year, all of the Fund's bank stocks underperformed the financials sector and the overall index, as persistently low interest rates continue to pressure the spread lending business models of most banks. Conversely, CME Group, a recent addition to the Fund, turned in a strong performance, as volatility in currency, interest rate and energy markets drove demand for its risk management services.

The Fund held many weak positions in industrials, but the weakest and most negatively impactful were those that are associated with customers in the energy and other commodities industries. Flowserve, Jacobs Engineering (no longer a holding of the Fund) and Joy Global all struggled because of concerns about their business with customers in the energy industry. Joy Global's issues extended to broad weakness in the mining sector, globally. The weakness in these industrials names, and a number of others in the group, overwhelmed the Fund's successes we had, including Polypore International, which recently received a buyout offer that topped off an already good year for the stock; Stericycle, which collects and processes medical waste, and is a perennially strong performer because of the consistent and growing demand for its services; Fortune Brands Home and Security, which saw an improvement in performance late in the fiscal year as the outlook for the housing market improved; also Verisk Analytics and Expeditors International.

The Fund's technology exposure was a modest negative contributor to the Fund's return for the fiscal year. The Fund was overweight this outperforming sector, but its modest exposure to the very strong semiconductor sector and weakness in two names in particular, Pandora Media and SanDisk, were negative to performance. Pandora Media continues to struggle under controversy surrounding the outcome of a royalty board decision expected later in 2015, in addition to concerns about the pace of growth of its business. We think that Pandora Media represents one of the best internet media properties, with the opportunity to continue building a vibrant business around a sizable streaming music user base, and that the royalty board outcome will not be unfavorable to the company. We retain the name in the Fund and will be interested in building a larger position as the outlook for the company clears. The weak performance of SanDisk came after news of a sluggish December 2014 and 2015 outlook, and then

weakened further with another soft business outlook late in the first quarter of 2015. Outside of those issues, our technology names performed very well. Electronic Arts, Service Now, Alliance Data Systems and Costar Group were all standout performers.

The Fund was underweight the outperforming materials sector, which accounted for the majority of the Fund's underperformance in that group. A lack of exposure to the utilities and telecommunications sectors was a light positive and a modest negative to performance, respectively. Telecommunications strongly outperformed the index, while utilities underperformed considerably. Both are small weights in the index.

Our cash holdings and equity options were the final detractor from performance last fiscal year. Our average cash position of 3.18% across the fiscal year was an opportunity cost in a strong positive market. Equity options, used primarily for hedging purposes, or building or exiting positions, was 26 basis points to the negative for our relative performance.

The Fund's consumer discretionary group was relatively neutral to performance, as was the materials group. Adding consumer discretionary exposure to the Fund early in the fiscal year proved to be a positive for Fund performance. The negative impact of a difficult holiday season and pressure on demand in the spring-selling season related to the severe winter weather across much of the U.S. gave way to the benefits to the consumer of stronger employment growth and the rapid decline in the price of oil. Most of our specialty retail and apparel names performed strongly, particularly in the fourth quarter when it became clear that holiday season 2014 would be much stronger than 2013. Limited Brands (no longer a holding of the Fund), Ross Stores, Nordstrom, Urban Outfitters and Carter's all benefited from an improving consumer environment and stronger holiday-selling season. Norwegian Cruise Line performed well in the portfolio last fiscal year, although the Fund sold it, as the stock became fully valued, in our opinion. A few weak names in consumer discretionary included Mattel, which was a significant disappointment in a time when consumer discretionary spending is on the upswing; Polo Ralph Lauren and Tiffany, which both fell prey to the strong dollar's impact on sales and margins because of foreign revenue; LKQ Corporation, another strong dollar victim, in addition to its own issues assimilating an overseas acquisition; and Panera Bread, which is spending money to reinvent aspects of its business without convincing results, to date. We remain committed to most of these names and their longer-term growth and earnings prospects, and, in fact, have added to the position in many of them as their stock prices have weakened. LKQ Corp and Panera Bread are the exceptions, where we have sold these stocks in favor of allocating the assets to what we think are more promising opportunities to generate returns for our shareholders.

Materials sector holdings added a slight positive contribution to overall performance. Two stocks, Scotts Miracle-Gro Company and Valspar Corporation, both outperformed the sector and the overall mid-cap growth index.

Our consumer staples exposure was a slight positive for performance, as all of our holdings in that group posted positive returns, and most, well in excess of the index. Coty Inc., Mead Johnson and Hain Celestial Group all delivered very strong performance.

We saw the strongest relative performance contribution last year from our health care group. The Fund's health care stocks performed generally well, but its underweight exposure to the strong performing biotechnology space was an opportunity cost, as that sector within the benchmark had strong returns. Our strong overweight position in general to the index made a difference, however, as our health care exposure made a solid positive relative contribution to the Fund's return for the fiscal year. We have made a lot of progress in our health care exposure, adding what we consider to be more stable and less risky biotechnology positions to the portfolio, in addition to some greater exposure to medical technology and health care capital equipment stocks that we believe will benefit from greater utilization of health care related to strengthening employment data, and also the Affordable Care Act. Health care is our most substantially overweight sector in the portfolio. All of our names, except for one, delivered positive returns, many of them at exceptional levels.

We were overweight health care and technology last fiscal year, neutral energy and underweight consumer staples, materials, consumer discretionary, industrials, financials, telecommunications and utilities.

Outlook

Our outlook for the stock market can best be described as cautiously constructive. The economy still appears to be in a growth mode, albeit at a low — and a lower than expected — rate. There are more stresses on the earnings outlook than we have seen in a considerable period of time. And while much of this stress is centered in the energy sector, there is the potential for a negative feedback loop associated with energy-related employment and spending to develop that could more broadly impact economic growth and corporate health.

The strengthening dollar is another source of earnings pressure on many companies that derive business from overseas, as was the severe winter weather and consumption weakness in the first quarter of 2015. Labor costs are also drifting higher. So earnings seem to be marking time, at best, in the first half of this year, and the valuation on those earnings, while not extreme, is certainly no longer a gift to investors. Finally, expectations of an initial interest rate hike from the Federal Reserve adds another level of uncertainty and volatility to the stock market, given concerns about the potential impact of any increase in rates on the economy and corporate earnings.

We will need to gain some confidence that the positives in the economy — greater employment, an improving housing market, low energy prices, and more accommodative lending — will be enough to offset the negatives to earnings, allowing earnings and stock prices to move higher. We think these positives will outweigh the negatives as we progress through the next few quarters, but the outlook is certainly not clear. We think that the ongoing slow rate of growth in the economy will drive greater demand from investors for the stocks of clearly differentiated growth companies that can deliver performance independent of any sluggishness in the economy. We think the markets will trend more defensively as well, in terms of both earnings stability and credit worthiness. We believe that valuation will be a concern if earnings growth is less certain. We think our preference for high-quality growth companies with stable and sustainable earnings profiles and strong balance sheets should serve our investors well should the economy struggle to regain a faster growth rate as it progresses through 2015.

We will continue to invest in what we believe are well-managed growth opportunities in the key growth sectors of the economy, including health care, technology, consumer discretionary, some aspects of consumer staples, financials and industrials. At this time, energy is a particularly interesting sector to search for growth companies at attractive valuations given the damage to stocks we have seen associated with the decline in the price of oil and the related pressure on the earnings of these companies. We think that there are similar opportunities in some parts of the industrials sector, as many companies in that group are experiencing earnings declines because of the weakness of many of their oil and gas related customers. Many industrials stocks have been under pressure and are beginning to look interesting to us.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investing in mid-cap stocks may carry more risk than investing in stocks of larger, more-established companies. Prices of growth stocks may be more sensitive to changes in current or expected earnings than the prices of other stocks. Growth stocks may not perform as well as value stocks or the stock market in general. The use of derivatives presents several risks, including the risk that these instruments may change in value in a manner that adversely affects the Fund's NAV and the risk that fluctuations in the value of the derivatives may not correlate with securities markets or the underlying asset upon which the derivative's value is based. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Mid Cap Growth Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Mid Cap Growth Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	98.0%
Consumer Discretionary	19.8%
Health Care	18.2%
Information Technology	17.3%
Industrials	16.5%
Financials	10.0%
Consumer Staples	7.4%
Energy	6.7%
Materials	2.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	2.0%

Lipper Rankings

Category: Lipper Mid-Cap Growth Funds	Rank	Percentile
1 Year	270/429	63
3 Year	296/375	79
5 Year	179/340	53
10 Year	42/236	18

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Electronic Arts, Inc.	Information Technology	Home Entertainment Software
Northern Trust Corp.	Financials	Asset Management & Custody Banks
Intuitive Surgical, Inc.	Health Care	Health Care Equipment
Expeditors International of Washington, Inc.	Industrials	Air Freight & Logistics
Mead Johnson Nutrition Co.	Consumer Staples	Packaged Foods & Meats
Microchip Technology, Inc.	Information Technology	Semiconductors
Signature Bank	Financials	Regional Banks
First Republic Bank	Financials	Regional Banks
Hain Celestial Group, Inc. (The)	Consumer Staples	Packaged Foods & Meats
Ulta Salon, Cosmetics & Fragrance, Inc.	Consumer Discretionary	Specialty Stores

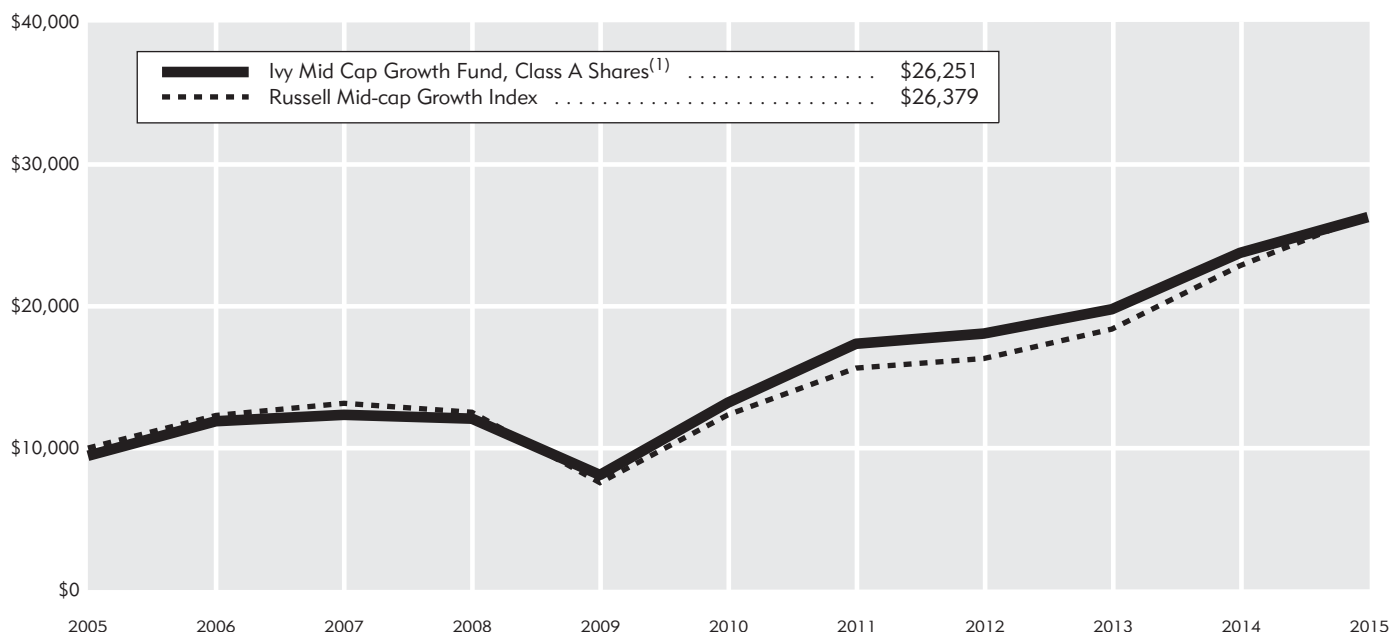
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Mid Cap Growth Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	4.37%	6.03%	10.00%	4.13%	11.09%	10.40%	—	10.82%
5-year period ended 3-31-15	13.46%	13.70%	13.98%	13.21%	15.22%	14.54%	—	14.96%
10-year period ended 3-31-15	10.13%	9.89%	10.00%	—	—	—	—	11.07%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	8.75%	10.39%	9.56%	12.18%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-29-05 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Mid Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel Retail – 4.7%		
DSW, Inc., Class A	1,629	\$ 60,060
Ross Stores, Inc.	781	82,339
Urban Outfitters, Inc. (A)	2,178	99,425
		<u>241,824</u>
Apparel, Accessories & Luxury Goods – 5.1%		
Burberry Group plc (B) . . .	2,268	58,304
Carter's, Inc.	849	78,514
Fifth & Pacific Co., Inc. (A)	1,244	41,551
Polo Ralph Lauren Corp. (C)	309	40,631
Under Armour, Inc., Class A (A)	518	41,849
		<u>260,849</u>
Auto Parts & Equipment – 1.0%		
Gentex Corp.	2,885	52,789
Department Stores – 1.4%		
Nordstrom, Inc.	931	74,809
Internet Retail – 0.6%		
TripAdvisor, Inc. (A)	380	31,570
Leisure Products – 2.1%		
Mattel, Inc.	2,567	58,667
Polaris Industries, Inc.	361	50,954
		<u>109,621</u>
Restaurants – 1.8%		
Dunkin' Brands Group, Inc. (C)	1,904	90,537
Specialty Stores – 3.1%		
Tiffany & Co.	622	54,708
Ulta Salon, Cosmetics & Fragrance, Inc. (A)	705	106,338
		<u>161,046</u>
Total Consumer Discretionary – 19.8%		1,023,045
Consumer Staples		
Distillers & Vintners – 0.9%		
Brown-Forman Corp., Class B	518	46,798
Food Retail – 1.0%		
Whole Foods Market, Inc.	993	51,704
Packaged Foods & Meats – 4.4%		
Hain Celestial Group, Inc. (The) (A)	1,682	107,744
Mead Johnson Nutrition Co. (C)	1,195	120,148
		<u>227,892</u>

COMMON STOCKS (Continued)	Shares	Value
Personal Products – 1.1%		
Coty, Inc., Class A	2,242	\$ 54,402
Total Consumer Staples – 7.4%		380,796
Energy		
Oil & Gas Equipment & Services – 0.7%		
Dril-Quip, Inc. (A)	540	36,901
Oil & Gas Exploration & Production – 6.0%		
Cabot Oil & Gas Corp.	2,359	69,676
Cimarex Energy Co.	359	41,279
Continental Resources, Inc. (A)	1,646	71,892
Noble Energy, Inc.	952	46,530
Oasis Petroleum LLC (A) . . .	2,043	29,058
Southwestern Energy Co. (A)	2,189	50,772
		<u>309,207</u>
Total Energy – 6.7%		346,108
Financials		
Asset Management & Custody Banks – 3.7%		
Northern Trust Corp.	2,221	154,726
Oaktree Capital Group LLC	740	38,214
		<u>192,940</u>
Regional Banks – 5.0%		
First Republic Bank	1,915	109,337
Signature Bank (A)	871	112,873
UMB Financial Corp.	658	34,784
		<u>256,994</u>
Specialized Finance – 1.3%		
CME Group, Inc.	713	67,485
Total Financials – 10.0%		517,419
Health Care		
Biotechnology – 6.6%		
ACADIA Pharmaceuticals, Inc. (A)	1,137	37,063
Alkermes plc (A)	1,243	75,788
BioMarin Pharmaceutical, Inc. (A)	795	99,108
Incyte Corp. (A)	579	53,041
Medivation, Inc. (A)	606	78,157
		<u>343,157</u>
Health Care Distributors – 1.5%		
Henry Schein, Inc. (A)	539	75,222
Health Care Equipment – 4.7%		
Intuitive Surgical, Inc. (A) . . .	287	145,073
Varian Medical Systems, Inc. (A)	1,030	96,872
		<u>241,945</u>

COMMON STOCKS (Continued)	Shares	Value
Health Care Facilities – 1.1%		
Acadia Healthcare Co., Inc. (A)	801	\$ 57,363
Health Care Supplies – 1.2%		
Align Technology, Inc. (A)	1,205	64,789
Health Care Technology – 1.2%		
Cerner Corp. (A)(C)	840	61,562
Pharmaceuticals – 1.9%		
Zoetis, Inc.	2,115	97,896
Total Health Care – 18.2%		941,934
Industrials		
Air Freight & Logistics – 2.3%		
Expeditors International of Washington, Inc.	2,496	120,241
Building Products – 2.0%		
Fortune Brands Home & Security, Inc.	2,182	103,584
Construction Machinery & Heavy Trucks – 0.9%		
Joy Global, Inc.	1,230	48,187
Electrical Components & Equipment – 1.2%		
Generac Holdings, Inc. (A)	206	10,054
Polypore International, Inc. (A)(D)	877	51,674
		<u>61,728</u>
Environmental & Facilities Services – 1.6%		
Stericycle, Inc. (A)	573	80,421
Industrial Machinery – 1.5%		
Flowsolve Corp.	1,376	77,724
Research & Consulting Services – 4.6%		
CoStar Group, Inc. (A)	415	82,082
Towers Watson & Co., Class A	500	66,126
Verisk Analytics, Inc., Class A (A)	1,210	86,422
		<u>234,630</u>
Trading Companies & Distributors – 1.9%		
Fastenal Co.	2,364	97,954
Trucking – 0.5%		
J.B. Hunt Transport Services, Inc.	303	25,890
Total Industrials – 16.5%		850,359
Information Technology		
Application Software – 1.3%		
ANSYS, Inc. (A)	738	65,124

SCHEDULE OF INVESTMENTS

Ivy Mid Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Communications Equipment – 1.2%		
F5 Networks, Inc. (A)	559	\$ 64,235
Data Processing & Outsourced Services – 1.6%		
Alliance Data Systems Corp. (A)	272	80,553
Home Entertainment Software – 3.1%		
Electronic Arts, Inc. (A)(C)	2,715	159,693
Internet Software & Services – 4.1%		
GrubHub, Inc. (A)	1,582	71,808
Pandora Media, Inc. (A)	5,547	89,920
WebMD Health Corp., Class A (A)	1,159	50,820
		<u>212,548</u>
IT Consulting & Other Services – 1.6%		
Teradata Corp. (A)	1,839	81,159
Semiconductors – 2.3%		
Microchip Technology, Inc.	2,428	118,741
Systems Software – 1.3%		
ServiceNow, Inc. (A)	885	69,716
Technology Hardware, Storage & Peripherals – 0.8%		
SanDisk Corp.	620	39,455
Total Information Technology – 17.3%		891,224
Materials		
Fertilizers & Agricultural Chemicals – 1.1%		
Scotts Miracle-Gro Co. (The)	845	56,782

COMMON STOCKS

(Continued)

	Shares	Value
Specialty Chemicals – 1.0%		
Valspar Corp. (The)	587	\$ 49,303
Total Materials – 2.1%		106,085
TOTAL COMMON STOCKS – 98.0%		\$5,056,970
(Cost: \$4,033,212)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (E) – 1.6%		
Becton Dickinson & Co., 0.450%, 4–6–15	\$ 5,000	5,000
Campbell Soup Co., 0.470%, 4–22–15	4,650	4,649
CVS Caremark Corp., 0.470%, 4–27–15	7,000	6,997
Kellogg Co.: 0.430%, 4–1–15	10,000	10,000
0.450%, 4–21–15	10,000	9,997
Kroger Co. (The), 0.310%, 4–7–15	4,000	4,000
National Oilwell Varco, Inc., 0.130%, 4–15–15	10,000	9,999
Novartis Finance Corp. (GTD by Novartis AG), 0.100%, 4–9–15	5,000	5,000
Unilever Capital Corp. (GTD by Unilever N.V.), 0.140%, 4–8–15	6,000	6,000
Virginia Electric and Power Co., 0.520%, 5–4–15	5,000	4,998
Walgreens Boots Alliance, Inc., 0.550%, 4–17–15	15,000	14,996
		<u>81,636</u>

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Master Note – 0.0%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (F)	\$1,392	\$ 1,392
Municipal Obligations – 0.0%		
MS Business Fin Corp., Gulf Opp Zone Indl Dev Var Rev Bonds (Chevron USA, Inc. Proj), Ser 2007D (GTD by Chevron Corp.), 0.030%, 4–1–15 (F)	500	500
United States Government Agency Obligations – 0.2%		
Overseas Private Investment Corp. (GTD by U.S. Government): 0.110%, 4–1–15 (F)	1,530	1,530
0.110%, 4–7–15 (F)	9,731	9,731
		<u>11,261</u>
TOTAL SHORT-TERM SECURITIES – 1.8%		\$ 94,789
(Cost: \$94,789)		
TOTAL INVESTMENT SECURITIES – 99.8%		\$5,151,759
(Cost: \$4,128,001)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.2%		9,337
NET ASSETS – 100.0%		\$5,161,096

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B>Listed on an exchange outside the United States.

(C)All or a portion of securities with an aggregate value of \$887 are held in collateralized accounts for OTC derivatives collateral as governed by International Swaps and Derivatives Association, Inc. Master Agreements.

(D)All or a portion of securities with an aggregate value of \$6,691 are held in collateralized accounts to cover potential obligations with respect to outstanding written options.

(E)Rate shown is the yield to maturity at March 31, 2015.

(F)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following written options were outstanding at March 31, 2015 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
ACADIA Pharmaceuticals, Inc.	Goldman Sachs International	Put	5,537	May 2015	\$28.00	\$ 686	\$ (402)
Dril-Quip, Inc.	Citibank N.A.	Call	2,855	April 2015	70.00	343	(271)
Pacira Pharmaceuticals, Inc.	Goldman Sachs International	Put	2,887	May 2015	85.00	1,010	(1,357)
						<u>\$2,039</u>	<u>\$(2,030)</u>

SCHEDULE OF INVESTMENTS

Ivy Mid Cap Growth Fund *(in thousands)*

MARCH 31, 2015

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$5,056,970	\$ —	\$ —
Short-Term Securities	—	94,789	—
Total	\$5,056,970	\$ 94,789	\$ —
Liabilities			
Written Options	\$ —	\$ 2,030	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

GTD = Guaranteed
OTC = Over the Counter

See Accompanying Notes to Financial Statements.

MANAGEMENT DISCUSSION

Ivy Mid Cap Income Opportunities Fund

(UNAUDITED)



Kimberly A. Scott

Below, Kimberly A. Scott, CFA, and Nathan A. Brown, CFA, portfolio managers of Ivy Mid Cap Income Opportunities Fund, discuss positioning, performance and results for the fiscal year ended March 31, 2015. Ms. Scott has 28 years of industry experience and Mr. Brown has 15 years of industry experience. They have co-managed the Fund since its inception on October 1, 2014.

Fiscal Year Performance

For the Period Ended March 31, 2015

Performance is since Fund inception, which was as of end of day on October 1, 2014.

Ivy Mid Cap Income Opportunities Fund (Class A shares at net asset value)	11.56%
Ivy Mid Cap Income Opportunities Fund (Class A shares including sales charges)	5.15%
Benchmark(s) and/or Lipper Category	
Russell Midcap Index	11.69%
(generally reflects the performance of securities that represent the mid-cap sector of the stock market)	
Lipper Mid-Cap Core Funds Universe Average	10.90%
(generally reflects the performance of the universe of funds with similar investment objectives)	

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.



Nathan A. Brown

Key drivers

The abbreviated fiscal year October 1, 2014 (Fund launch date) through March 31, 2015 produced a solid return for the U.S. equity markets, inclusive of the Russell Midcap Index, the Fund's benchmark. The benchmark increased 11.69% during the six-month period with broad-based increases across all sectors except energy. Thematically, the most significant occurrence during the six-month period was the rapid decline in energy-based commodities and the impact that had on securities linked to energy prices. The energy sector was down considerably for the six-month period whereas sectors which benefit from lower energy prices produced solid performance. The consumer discretionary sector increased during the fiscal period, as the stock market anticipated better results as consumers benefited from a shift in spending from the gas pump to other discretionary items. The consumer staples sector also increased for reasons similar to consumer discretionary, but also from a likely benefit on lower packaging and shipping costs resulting from lower commodity prices. Health care was the best performing sector during the fiscal period as it benefited from increased utilization generated from both an improving labor market and increased coverage from the Affordable Care Act. Rounding out performance for the fiscal period for the remaining sectors, technology and financials both had near-benchmark performance during the quarter. Industrials, telecommunications, materials, and utilities underperformed the benchmark.

In regard to the benchmark, during the six-month period, there was not a discernible preference for dividend payers in the market, as a strong preference in the first three months (October-December 2014) was erased in the second three months (January-March 2015).

Contributors and detractors

In its inaugural year, although abbreviated, the Fund slightly underperformed its benchmark. Strong stock selection was more than offset by the headwind created by sector allocation driving the underperformance. The Fund held large overweight positions across materials, energy and consumer discretionary, a slight overweight position in industrials, near benchmark allocation in consumer staples and technology, and significant underweight positions in financials, health care and utilities versus the benchmark. The Fund also carried an average of 2.9% in cash given consistent inflows. The overall underperformance of the fund was primarily isolated to energy, financials and healthcare sectors in conjunction with the cash position that detracted in the appreciating market. The Fund's strategy of investing in income-producing stocks made modest contributions to the total return of the Fund during the fiscal period.

Relative performance in energy was hindered due to the Fund's overweight position in a sector that was hurt by falling commodity prices. Two of the Fund's holdings benefited from acquisition activity, Atlas Pipeline Partners L.P. and Regency Energy Partners L.P., but it was not enough to overcome the negative impact of the Fund's overweight allocation to this sector. With these holdings no longer in the portfolio, we added Helmerich & Payne, Plaines All American Pipeline L.P. and Targa Resources Partners L.P.

Poor stock selection was the cause of underperformance within financials, with all holdings, excluding Corrections Corporation of America, being detractors. The biggest detractor was Artisan Partners Asset Management, as difficult relative performance for some of its funds caused modest outflows.

The Fund experienced strong appreciation in individual stocks within health care, but an overall underweight position, and more specifically, an underweight position in the biotechnology subsector, was the main culprit of underperformance. Becton, Dickinson & Co., Cardinal Health and HealthSouth Corporation all delivered returns in excess of the benchmark, but lagged sector level performance.

Strong stock selection more than offset the headwind from sector allocation and drove sector outperformance in industrials. The HNI Corporation benefited from an improving macroeconomic backdrop around both its primary end-markets, commercial and residential construction. KAR Auction

Services generated the remaining outperformance in the sector as the underlying economics within that company's business model improved during the period driving better profitability.

Within materials, stock selection again was the driver of sector outperformance as the sector overweight proved to be a headwind. Scotts Miracle-Gro and Sonoco Products were among the Fund's better performing names. We believe both companies should benefit from an improved consumer spending environment and lower raw material costs in the next year.

Sector outperformance in utilities was caused by both an underweight in the underperforming sector and solid stock selection. UIL Holdings produced most of the upside in performance and was sold during the period after experiencing appreciation on some unusual news. American Water Works also provided strong performance during the period.

Outlook

Our broad outlook for the economy and the financial markets remains unchanged from the start of calendar year 2015. While additional variables could surface during the upcoming 12 months, we feel the most important ones that we are watching continue to be domestic economic growth, interest rates, commodity prices and foreign economic growth.

Many of the government economic releases have been weaker than expected during first quarter 2015; however, our conviction remains that we will see better growth this calendar year. We feel that much of the weakness can be explained by yet another year of significant weather events and the worker strikes at West Coast ports. Absent these events, which are both in the rearview, we feel the economy is growing nicely. The underlying environment appears to be quite favorable for the consumer with increasing employment, increasing wages and benefits from lower energy costs. The industrial economy appears on weaker footing, as lower prospects from oil and gas spending and pressures from a stronger dollar may continue to cause negative variances. Offsetting these factors, we expect continued strength in residential and commercial construction markets.

We believe the Fund's current income generation ability to be favorable to the fixed-income market. Over the next nine months, we believe that the relative attractiveness will decrease somewhat as the Federal Reserve likely begins raising the federal funds rate. We feel comfortable saying this could increase short-term rates, but the pressure on longer-term bonds may stay low given alternative investments in the rest of the world. Summing up our view, we believe the Fund will continue to offer an attractive absolute and relative income generation versus government bonds throughout 2015, but likely at a slightly smaller differential than in 2014.

Following a steep decline in energy-linked commodities in the fourth quarter of 2014, commodity prices were a bit more stable during the first quarter of 2015. We are a bit apprehensive to state that we have reached the bottom in prices, but we do believe we are building a solid foundation for which commodities can resume a more orderly increase. Specifically, capital expenditures for the oil and gas industry, particularly in the U.S., have been aggressively cut. We believe production will begin to be impacted in the second quarter of 2015, as we may see slowing growth in many of the oil shale basins. This, coupled with better demand, could cause a reverse in trend for the supply-demand gap, which should be positive to underlying commodity prices.

As the U.S. exits the quantitative easing and monetary stimulus "rehabilitation center," many of the world's economies, both developed and emerging, either have remained patient or appear ready to check into their own "rehabilitation centers." The European Central Bank has formally begun quantitative easing. China has begun to increase the fiscal stimulus injected into its economy. This has caused a rapid increase in the value of the dollar. Given both transaction and translation impacts from the stronger dollar, earnings estimates for many U.S.-based global companies have been under pressure. While this is a negative for U.S. growth, we believe it should be a positive for more export-based economies in the European Union, Japan, and the emerging markets and we have seen some better, albeit modest, growth from these regions.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investing in mid-cap stocks may carry more risk than investing in stocks of larger, more-established companies. Dividend-paying instruments may not experience the same price appreciation as non-dividend paying investments. There is no guarantee that the companies in which the Fund invests will declare dividends in the future or that dividends, if declared, will remain at current levels or increase over time. The amount of any dividend paid by the company may fluctuate significantly. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio managers and are current only through the end of the period of the report as stated on the cover. The managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Mid Cap Income Opportunities Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Mid Cap Income Opportunities Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	98.3%
Consumer Discretionary	19.9%
Industrials	19.6%
Information Technology	13.9%
Financials	11.1%
Energy	8.7%
Materials	8.4%
Health Care	8.3%
Consumer Staples	5.7%
Utilities	2.7%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.7%

Top 10 Equity Holdings

Company	Sector	Industry
Cracker Barrel Old Country Store, Inc.	Consumer Discretionary	Restaurants
HNI Corp.	Industrials	Office Services & Supplies
McCormick & Co., Inc.	Consumer Staples	Packaged Foods & Meats
Targa Resources Partners L.P.	Energy	Oil & Gas Storage & Transportation
Helmerich & Payne, Inc.	Energy	Oil & Gas Drilling
Cinemark Holdings, Inc.	Consumer Discretionary	Movies & Entertainment
Xilinx, Inc.	Information Technology	Semiconductors
Plains All American Pipeline L.P.	Energy	Oil & Gas Storage & Transportation
KAR Auction Services, Inc.	Industrials	Diversified Support Services
Limited Brands, Inc.	Consumer Discretionary	Apparel Retail

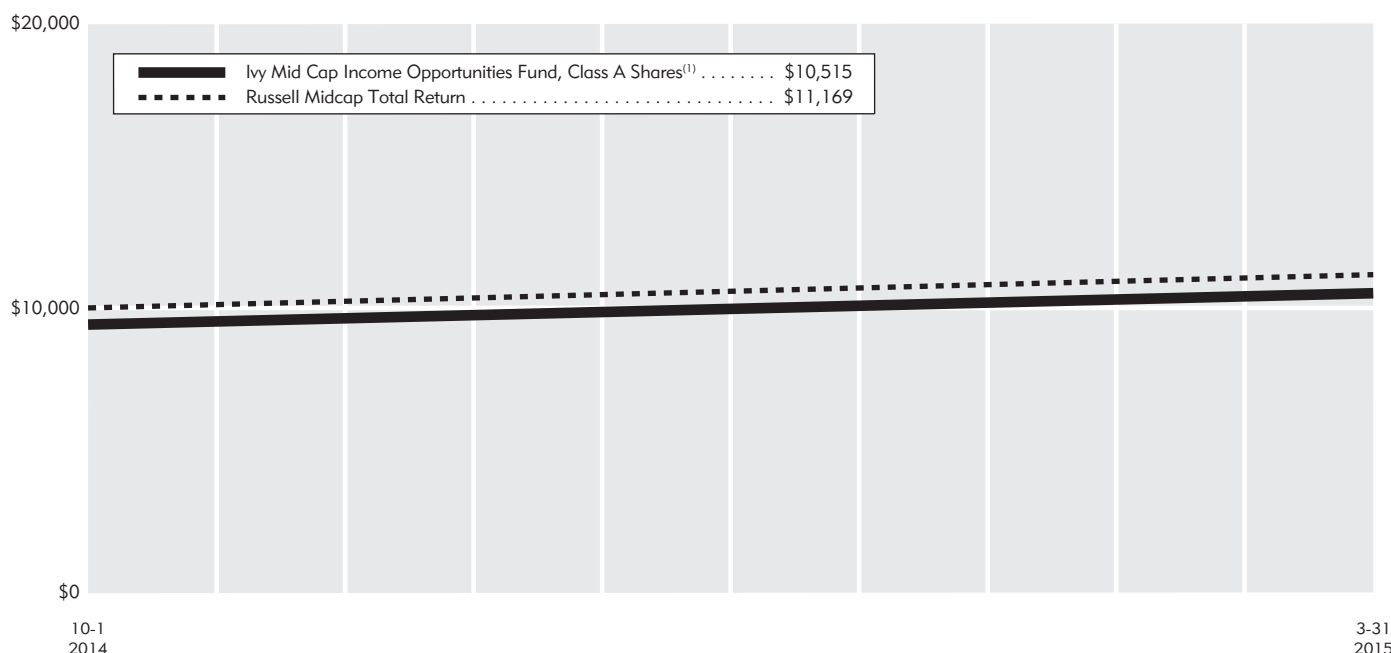
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Mid Cap Income Opportunities Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	—	—	—	—	—	—	—
5-year period ended 3-31-15	—	—	—	—	—	—	—
10-year period ended 3-31-15	—	—	—	—	—	—	—
Since Inception of Class through 3-31-15 ⁽⁴⁾	5.15%	10.26%	5.26%	11.81%	11.38%	11.81%	11.66%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) 10-1-14 for Class A shares, 10-1-14 for Class C shares, 10-1-14 for Class E shares, 10-1-14 for Class I shares, 10-1-14 for Class R shares, 10-1-14 for Class R6 shares and 10-1-14 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Mid Cap Income Opportunities Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel Retail – 2.8%		
Limited Brands, Inc.	20	\$ 1,868
Casinos & Gaming – 2.8%		
Wynn Resorts Ltd.	14	1,814
Consumer Electronics – 2.8%		
Garmin Ltd.	39	1,830
Home Furnishings – 2.8%		
Leggett & Platt, Inc.	40	1,838
Leisure Products – 2.8%		
Mattel, Inc.	81	1,855
Movies & Entertainment – 2.9%		
Cinemark Holdings, Inc.	42	1,906
Restaurants – 3.0%		
Cracker Barrel Old Country Store, Inc.	13	1,953
Total Consumer Discretionary – 19.9%		13,064
Consumer Staples		
Household Products – 2.8%		
Clorox Co. (The)	16	1,817
Packaged Foods & Meats – 2.9%		
McCormick & Co., Inc.	25	1,922
Total Consumer Staples – 5.7%		3,739
Energy		
Oil & Gas Drilling – 2.9%		
Helmerich & Payne, Inc.	28	1,909
Oil & Gas Storage & Transportation – 5.8%		
Plains All American Pipeline L.P.	39	1,887
Targa Resources Partners L.P.	46	1,913
		3,800
Total Energy – 8.7%		5,709
Financials		
Asset Management & Custody Banks – 2.7%		
Artisan Partners Asset Management, Inc.	40	1,803
Insurance Brokers – 2.8%		
Arthur J. Gallagher & Co.	39	1,834
Regional Banks – 5.6%		
BankUnited, Inc.	55	1,812
Umpqua Holdings Corp.	106	1,822
		3,634
Total Financials – 11.1%		7,271

COMMON STOCKS (Continued)	Shares	Value
Health Care		
Health Care Equipment – 2.7%		
Becton Dickinson & Co.	12	\$ 1,788
Health Care Facilities – 2.7%		
HealthSouth Corp.	41	1,805
Health Care Supplies – 2.9%		
Cardinal Health, Inc.	20	1,849
Total Health Care – 8.3%		5,442
Industrials		
Aerospace & Defense – 2.8%		
L-3 Communications Holdings, Inc.	14	1,823
Air Freight & Logistics – 2.8%		
C.H. Robinson Worldwide, Inc.	25	1,841
Commercial Printing – 2.7%		
Corrections Corp. of America	44	1,779
Diversified Support Services – 2.9%		
KAR Auction Services, Inc. ...	50	1,884
Environmental & Facilities Services – 2.7%		
Republic Services, Inc., Class A	45	1,805
Office Services & Supplies – 5.7%		
Avery Dennison Corp.	34	1,819
HNI Corp.	35	1,932
		3,751
Total Industrials – 19.6%		12,883
Information Technology		
Data Processing & Outsourced Services – 2.7%		
Paychex, Inc.	36	1,796
Semiconductors – 8.5%		
Maxim Integrated Products, Inc.	53	1,845
Microchip Technology, Inc. ...	37	1,824
Xilinx, Inc.	45	1,889
		5,558
Systems Software – 2.7%		
CA, Inc.	55	1,805
Total Information Technology – 13.9%		9,159
Materials		
Fertilizers & Agricultural Chemicals – 2.8%		
Scotts Miracle-Gro Co. (The)	27	1,824

COMMON STOCKS (Continued)	Shares	Value
Paper Packaging – 2.8%		
Sonoco Products Co.	41	\$ 1,858
Specialty Chemicals – 2.8%		
RPM International, Inc.	38	1,838
Total Materials – 8.4%		5,520
Utilities		
Water Utilities – 2.7%		
American Water Works Co., Inc.	33	1,792
Total Utilities – 2.7%		1,792
TOTAL COMMON STOCKS – 98.3%		\$64,579
(Cost: \$60,790)		
SHORT-TERM SECURITIES		
	Principal	
Master Note – 1.9%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (A)	\$1,228	1,228
TOTAL SHORT-TERM SECURITIES – 1.9%		\$ 1,228
(Cost: \$1,228)		
TOTAL INVESTMENT SECURITIES – 100.2%		\$65,807
(Cost: \$62,018)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.2)%		(122)
NET ASSETS – 100.0%		\$65,685

SCHEDULE OF INVESTMENTS

Ivy Mid Cap Income Opportunities Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$64,579	\$ —	\$ —
Short-Term Securities	—	1,228	—
Total	<u>\$64,579</u>	<u>\$ 1,228</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

See Accompanying Notes to Financial Statements.



Mira Stevovich

Below, Mira Stevovich, CFA, portfolio manager of Ivy Money Market Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. She has managed the Portfolio since 2000 and has 28 years of industry experience.

The Fund's fiscal year ended on March 31, 2015 with short-term rates at the same low levels as at the beginning of the year. The Federal Reserve (Fed) continued to maintain a policy that provided liquidity to the economy. During the fiscal year, the money markets continued to be affected by low rates, as well as regulatory changes in the banking sector. The economy showed signs of improvement, but a low rate of inflation allowed for the continuation of an ultra-low federal funds target rate.

Lower rates, higher-quality bias

The fiscal year started with the federal funds rate at between 0% and 0.25%, where it remains to date. During the Fund's fiscal year, the Fed gradually reduced the amount of U.S. Treasuries it was purchasing under its quantitative easing (QE) program. QE purchases concluded in October. Although the end of the QE program has removed a source of additional liquidity from the economy, it has not been followed by an increase in short-term interest rates. The Fed has been testing reverse repo programs that we believe will be integral to managing the federal funds rate once the Fed begins increasing short-term rates. These programs have helped the short-term market manage liquidity, and provided the Fed with useful data. It may be mid-2015 before any change would impact money market rates. However, market anticipation of a future rate increase has caused longer-dated security yields to increase. As a result, we will continue to manage the Fund in a fashion based on the current interest rate environment, closely monitoring any potential rate changes, and adjusting investments accordingly.

The drastically-low interest rates during the fiscal year restrained the Fund's performance and rates on money market investments, in general. The Securities and Exchange Commission (SEC) regulation requiring that at least 30% of the Fund's holdings mature in five business days or less also affected the Fund's return, because very short maturities tend to carry the lowest interest rates.

Also acting to depress rates on the shortest maturities are new banking regulations, which make short-term borrowing by banks less attractive. This has reduced the supply of securities in the short maturity range, adding downward pressure on rates. Within the confines of the Fund's liquidity and maturity requirements, we sought to maintain yield by purchasing longer-dated securities when credit spreads were wide. We also invested in floating rate notes based on the three-month London interbank offered rate (LIBOR). These notes carry a relatively attractive rate of investment, while allowing us to maintain a modest "weighted average maturity" (WAM) of the Fund. The 3-month LIBOR rate began the fiscal year at 0.22810 and decreased slightly early in the year, but began a move upwards to end the fiscal year higher at 0.27075%.

Credit quality remained an important factor in the management and performance of the Fund. We carefully review the companies and securities in which we invest; namely, we select investments that we believe to be of the highest credit quality, based on our credit risk constraints, although this higher-quality bias may hold down yield.

Selective investing

This past year, we have emphasized investments in securities that we believe are of the highest credit quality from many industries and sectors, and we intend to continue to do so going forward. We remain very selective of our investments. Corporate debt was used as an alternative investment when possible. We anticipate that we will continue to use floating-rate securities in the coming fiscal year, pending future developments in the money markets. We intend to include U.S. Treasury and government agency securities, as necessary.

We are managing the Fund to comply with SEC regulations of money market funds, which were introduced in 2010. The SEC added these regulations in an effort to provide money market investors with greater protection and more timely information about the fund in which they invest. To this end, we are maintaining daily and weekly liquidity levels according to the regulations, to provide for the liquidity needs of our shareholders and investing with a view towards diversification. We will continue to manage the Fund in a manner that we believe is prudent and in accordance with SEC regulations.

Please remember that an investment in the Fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

The opinions expressed in this report are those of the Fund manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

PORTFOLIO HIGHLIGHTS

Ivy Money Market Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Corporate Obligations	66.3%
Notes	35.1%
Commercial Paper	21.0%
Certificate Of Deposit	9.5%
Master Note	0.7%
Municipal Obligations	23.7%
United States Government and Government Agency Obligations	8.8%
Cash and Other Assets (Net of Liabilities)	1.2%

Lipper Rankings

Category: Lipper Money Market Funds	Rank	Percentile
1 Year	29/211	14
3 Year	28/205	14
5 Year	27/191	15
10 Year	76/166	46

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

SCHEDULE OF INVESTMENTS

Ivy Money Market Fund (in thousands)

MARCH 31, 2015

CORPORATE OBLIGATIONS

	Principal	Value
Certificate Of Deposit		
Banco del Estado de Chile:		
0.350%, 4-6-15 (A)	\$ 250	\$ 250
0.350%, 3-21-16 (A) . . .	1,000	1,000
Bank of America N.A.:		
0.210%, 4-15-15	2,500	2,500
0.210%, 5-8-15	3,000	3,000
0.250%, 7-14-15	2,000	2,000
BMO Harris Bank N.A.,		
0.300%, 4-5-15 (A)	2,500	2,500
Citibank N.A.,		
0.180%, 6-15-15	4,000	4,000
Total Certificate Of Deposit – 9.5%		15,250
Commercial Paper (B)		
Coca-Cola Co. (The),		
0.300%, 9-22-15	1,000	998
Ecolab, Inc.,		
0.440%, 4-1-15	740	740
Essilor International S.A.,		
0.160%, 5-12-15	1,000	1,000
Honeywell International,		
Inc.,		
0.230%, 6-19-15	1,000	999
J.M. Smucker Co. (The),		
0.280%, 4-1-15	750	750
Mondelez International,		
Inc.,		
0.430%, 4-1-15	750	750
National Oilwell Varco, Inc.,		
0.160%, 5-13-15	750	750
Northern Illinois Gas Co.:		
0.300%, 4-2-15	5,350	5,350
0.370%, 4-6-15	2,350	2,350
River Fuel Co. #2, Inc.		
(GTD by Bank of Nova Scotia),		
0.200%, 4-30-15	1,801	1,801
River Fuel Trust #1 (GTD		
by Bank of Nova Scotia),		
0.290%, 4-30-15	850	850
St. Jude Medical, Inc.:		
0.320%, 4-2-15	3,000	3,000
0.230%, 4-16-15	2,000	2,000
0.250%, 5-19-15	1,100	1,099
Toyota Motor Credit Corp.,		
0.230%, 5-20-15 (A) . . .	4,000	4,000
Wisconsin Electric Power		
Co.:		
0.320%, 4-6-15	2,300	2,300
0.190%, 4-8-15	1,020	1,020
0.370%, 4-9-15	2,500	2,500
0.170%, 4-10-15	1,500	1,500
Total Commercial Paper – 21.0%		33,757
Master Note		
Toyota Motor Credit Corp.,		
0.130%, 4-1-15 (A)	1,070	1,070
Total Master Note – 0.7%		1,070

CORPORATE OBLIGATIONS (Continued)

	Principal	Value
Notes		
American Honda Finance Corp.:		
0.250%, 4-10-15 (A)	\$3,500	\$3,500
0.270%, 4-15-15 (A)	1,600	1,600
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB),		
0.800%, 7-15-15	3,955	3,961
Banco del Estado de Chile:		
0.270%, 4-1-15 (A)	2,000	2,000
0.370%, 4-22-15 (A)	4,400	4,400
Bank of New York Mellon Corp. (The),		
2.950%, 6-18-15	250	251
Bank of Nova Scotia (The):		
0.360%, 4-1-15 (A)	1,450	1,450
0.250%, 4-5-15 (A)	2,000	2,000
0.240%, 4-23-15 (A)	2,000	2,000
0.490%, 6-27-15 (A)	900	901
BMO Harris Bank N.A.,		
0.280%, 4-10-15 (A)	2,150	2,150
Caterpillar Financial Services Corp. (GTD by Caterpillar, Inc.),		
2.750%, 6-24-15	698	702
Caterpillar, Inc.,		
0.950%, 6-26-15	713	714
General Electric Capital Corp.:		
0.450%, 4-6-15 (A)	1,500	1,502
0.450%, 4-9-15 (A)	1,528	1,530
1.002%, 4-9-15 (A)	500	501
1.056%, 5-8-15 (A)	400	402
0.860%, 6-12-15 (A)	1,600	1,606
1.000%, 6-23-15 (A)	1,300	1,305
1.625%, 7-2-15	1,000	1,003
JPMorgan Chase & Co.:		
0.380%, 4-22-15 (A)	1,250	1,250
0.420%, 6-8-15 (A)	3,550	3,550
John Deere Capital Corp.:		
0.380%, 6-13-15 (A)	800	801
0.950%, 6-29-15	210	210
JPMorgan Chase Bank N.A.,		
0.310%, 4-23-15 (A)	1,600	1,600
McDonalds Corp.,		
0.750%, 5-29-15	250	250
NIKE, Inc.,		
5.150%, 10-15-15	165	169
PACCAR Financial Corp.,		
1.050%, 6-5-15	100	100
PepsiCo, Inc.:		
0.450%, 4-30-15 (A)	1,150	1,151
0.470%, 5-28-15 (A)	550	551
Rabobank Nederland,		
0.310%, 5-12-15 (A)	1,000	1,000
Toyota Motor Credit Corp.:		
0.400%, 4-8-15 (A)	500	500
0.420%, 6-20-15 (A)	250	250
U.S. Bank National Association,		
0.320%, 5-28-15 (A)	2,000	2,001
United Technologies Corp.,		
0.760%, 6-1-15 (A)	2,235	2,237

CORPORATE OBLIGATIONS (Continued)

	Principal	Value
Notes (Continued)		
Wells Fargo & Co.,		
0.460%, 4-28-15 (A)	\$ 400	\$ 400
Wells Fargo Bank N.A.:		
0.310%, 4-20-15 (A)	1,600	1,600
0.380%, 4-20-15 (A)	2,000	2,000
0.350%, 6-10-15 (A)	1,500	1,500
0.360%, 6-15-15 (A)	1,800	1,800
Total Notes – 35.1%		56,398
TOTAL CORPORATE OBLIGATIONS – 66.3%		\$106,475
(Cost: \$106,475)		
MUNICIPAL OBLIGATIONS		
California – 1.9%		
CA GO Bonds, Ser		
2005A3 (GTD by Bank of America N.A.),		
0.020%, 4-7-15 (A)	1,570	1,570
CA Statewide Cmnty Dev Auth, Multifam Hsng Rev Bonds (Wyndover Apts), Ser 2004 LL (GTD by U.S. Government),		
0.030%, 4-7-15 (A)	700	700
Fremont (Alameda Cnty, CA), Fremont Public Fin Auth (GTD by U.S. Bank N.A.),		
0.010%, 4-7-15 (A)	775	775
		3,045
Colorado – 2.3%		
Castle Rock, CO, Cert of Part, Ser 2008 (GTD by Wells Fargo Bank N.A.),		
0.040%, 4-7-15 (A)	750	750
CO Hsng and Fin Auth, Multifam Hsng Rev Bonds (Greentree Vlg Apts Proj), Ser 2007 (GTD by U.S. Bank N.A.),		
0.030%, 4-7-15 (A)	2,700	2,700
Sheridan Redevel Agy CO Tax, Var Rfdg S Santa Fe Dr Corridor Redevel PJ, Ser A-1 (GTD by JPMorgan Chase & Co.),		
0.200%, 4-7-15 (A)	250	250
		3,700

SCHEDULE OF INVESTMENTS

Ivy Money Market Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL OBLIGATIONS (Continued)			MUNICIPAL OBLIGATIONS (Continued)			MUNICIPAL OBLIGATIONS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Georgia – 4.1%			Mississippi – 1.1%			Tennessee – 0.5%		
Dev Auth of Monroe Cty, Pollutn Ctl Rev Bonds (GA Power Co. Plant Scherer Proj), First Ser 2008 (GTD by Georgia Power Co.), 0.030%, 4–1–15 (A)	\$1,618	\$1,618	MS Business Fin Corp., Gulf Opp Zone Indl Dev Rev Bonds (Chevron USA, Inc. Proj), Ser 2007B (GTD by Chevron Corp.), 0.010%, 4–1–15 (A)	\$ 700	\$ 700	Johnson City, TN Hlth and Edu Fac, Hosp Rev Bonds (Mountain States Hlth Alliance), Ser 2013A (GTD by U.S. Bank N.A.), 0.020%, 4–7–15 (A)	\$ 760	\$ 760
Muni Elec Auth GA, Gen Resolution Proj Bond Anticipation Notes, Ser B (Taxable), (GTD by Wells Fargo Bank N.A.), 0.130%, 4–20–15	935	935	MS Business Fin Corp., Gulf Opp Zone Indl Dev Rev Bonds (Chevron USA, Inc. Proj), Ser 2007D (GTD by Chevron Corp.), 0.010%, 4–1–15 (A)	210	210	Texas – 3.3%		
Muni Elec Auth GA, Gen Resolution Proj Bond Anticipation Notes, Ser A (Taxable), (GTD by Wells Fargo Bank N.A.), 0.150%, 4–27–15	4,000	4,000	MS Business Fin Corp., Gulf Opp Zone Indl Dev Var Rev Bonds (Chevron USA, Inc. Proj), Ser E (GTD by Chevron Corp.), 0.030%, 4–1–15 (A)	812	812	Port Arthur Nav Dist Indl Dev Corp., Exempt Fac Var Rate Rev Bonds (Air Prdts Proj), Ser 2006 (GTD by Air Products and Chemicals, Inc.), 0.040%, 4–1–15 (A)	2,300	2,300
		<u>6,553</u>			<u>1,722</u>	Port Arthur Nav Dist Indl Dev Corp., Exempt Fac Var Rate Rev Bonds (Air Prdts Proj), Ser 2005 (GTD by Air Products and Chemicals, Inc.), 0.040%, 4–1–15 (A)	2,925	2,925
Kansas – 1.3%			Missouri – 0.6%					<u>5,225</u>
Univ of KS Hosp Auth, Var Rate Demand Hlth Fac Rev Bonds (KU Hlth Sys), Ser 2004, 0.030%, 4–1–15 (A)	2,140	2,140	Kansas City, MO, Var Rate Demand Taxable Spl Oblig Rfdg Bonds (President Hotel Redev Proj), Ser 2009B (GTD by JPMorgan Chase & Co.), 0.110%, 4–7–15 (A)	950	950	Wyoming – 0.8%		
Louisiana – 2.4%			New Jersey – 0.6%			Uinta Cnty, WY, Pollutn Ctl Rfdg Rev Bonds (Chevron USA, Inc. Proj), Ser 1992 (GTD by Chevron Corp.), 0.030%, 4–1–15 (A)	1,283	1,283
LA Pub Fac Auth, Rev Bonds (Air Products and Chemicals Proj), Ser 2008A (GTD by Air Products and Chemicals, Inc.), 0.040%, 4–1–15 (A)	2,911	2,911	Trap Rock Industries, Inc., Var Demand Bonds, Ser 2005 (GTD by Wachovia Bank N.A.), 0.170%, 4–7–15 (A)	1,045	1,045	TOTAL MUNICIPAL OBLIGATIONS – 23.7%		
Parish of St. Bernard, LA, Exempt Fac Rev Bonds (Mobil Oil Corp. Proj), Ser 1996 (GTD by Exxon Mobil Corp.), 0.020%, 4–1–15 (A)	1,000	1,000	New York – 2.0%			UNITED STATES GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS		
		<u>3,911</u>	NY Hsng Fin Agcy, Related- Caroline Apt Hsng Rev Bonds, Ser 2008A (GTD by Federal Home Loan Mortgage Corp.), 0.030%, 4–7–15 (A)	2,000	2,000	United States Government Agency Obligations – 8.8%		
Maryland – 1.2%			NY State Hsng Fin Agcy, Maestro West Chelsea Hsng Rev Bonds, Ser 2014A, 0.020%, 4–7–15 (A)	500	500	Overseas Private Investment Corp. (GTD by U.S. Government): 0.110%, 4–1–15 (A)	1,974	1,974
MD Hlth and Higher Edu Fac Auth Rev Bonds, Anne Arundel Hlth Sys Issue, Ser 2009A (GTD by Toronto Dominion Bank), 0.120%, 4–7–15 (A)	1,915	1,915	NYC GO Bonds, Fiscal 2006 Ser E (GTD by Bank of America N.A.), 0.020%, 4–7–15 (A)	644	644	0.110%, 4–3–15 (A)	2,208	2,208
Michigan – 0.9%					<u>3,144</u>	0.110%, 4–7–15 (A)	7,701	7,701
MI Strategic Fund, Var Rate Demand Ltd. Oblig Rev Bonds (Air Products and Chemicals, Inc. Proj), Ser 2007 (GTD by Bank of New York (The)), 0.040%, 4–1–15 (A)	1,500	1,500	Ohio – 0.7%			0.110%, 4–29–15 (A)	2,000	2,000
			Columbus Rgnl Arpt Auth, Cap Funding Rev Bonds (OASBO Expanded Asset Pooled Fin Prog), Sr Ser 2006, 0.030%, 4–7–15 (A)	1,200	1,200	Totem Ocean Trailer Express, Inc. (GTD by U.S. Government), 0.520%, 4–15–15 (A)	215	215
								<u>14,098</u>
						TOTAL UNITED STATES GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS – 8.8%		
						\$14,098		
						(Cost: \$14,098)		

SCHEDULE OF INVESTMENTS

Ivy Money Market Fund *(in thousands)*

MARCH 31, 2015

	Value
TOTAL INVESTMENT SECURITIES – 98.8%	\$158,666
(Cost: \$158,666)	
CASH AND OTHER ASSETS, NET OF LIABILITIES – 1.2%	1,966
NET ASSETS – 100.0%	\$160,632

Notes to Schedule of Investments

(A)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

(B)Rate shown is the yield to maturity at March 31, 2015.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Corporate Obligations	\$ —	\$106,475	\$ —
Municipal Obligations	—	38,093	—
United States Government and Government Agency Obligations	—	14,098	—
Total	\$ —	\$158,666	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronym is used throughout this schedule:

GTD = Guaranteed

See Accompanying Notes to Financial Statements.



Bryan J. Bailey

Below, Bryan J. Bailey, CFA, portfolio manager of the Ivy Municipal Bond Fund, discusses positioning, performance and results for the fiscal year ending March 31, 2015. He has managed the Fund since 2008 and previously was the manager of the Fund from 2000 through 2007. He has 26 years of industry experience.

Fiscal Year Performance

For the 12 months ended March 31, 2015

Ivy Municipal Bond Fund (Class A shares at net asset value)	5.51%
Ivy Municipal Bond Fund (Class A shares with sales charge)	1.03%
Benchmark(s) and/or Lipper Category	
S&P Municipal Bond Index (generally reflects the performance of the U.S. municipal bond market)	6.59%
Lipper General & Insured Municipal Debt Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	7.08%

Please note that Fund returns include applicable investment fees and expenses, while index returns do not include any such fees. The performance discussion below is at net asset value.

The U.S. and the world

The Fund underperformed its benchmark and Lipper peer group during the period ended March 31, 2015. Underperformance can be explained by a defensive-to-neutral duration (interest rate sensitivity), an overall defensive portfolio structure, and exposure to Puerto Rico credits.

New issue volume was down substantially, while reinvestment income and bond maturity proceeds were at elevated levels, thus creating a severe supply/demand imbalance in the municipal bond market. Investor flows into the space were very favorable from the outset and remained consistently positive throughout the year.

An additional tailwind was provided by an aggressive rally in the Treasury market on concerns that the very soft first quarter 2014 economic performance was not a one-off weather related outlier, but a more ominous sign of a weakening U.S. economy. Other macro concerns were slowing economies in Europe, China and Japan, and geopolitical tensions in Russia/Crimea and the Middle East, which produced additional flight-to-quality buying.

Most U.S. economic data points reported in the second and third quarters of 2014 suggested that the U.S. economy was recovering modestly. However, U.S. economic bright spots continued to be overwhelmed by persistent geopolitical issues. Admittedly, the magnitude and momentum of the U.S. economic situation was clouded by a spate of weaker data releases near the end of the third quarter of 2014, and the fear that the violent decline in oil prices was a deflationary precursor.

The Federal Reserve (Fed) ended its latest quantitative easing (QE) program. Expectations of the first interest rate hike have shifted from meeting to meeting, elevating volatility. In the fourth quarter, market expectations of QE actions by the European Central Bank (ECB) drove developed market bond yields down to paltry levels, essentially putting a ceiling on U.S. Treasury rates, and indirectly municipal bond rates. The ECB commenced its QE program in the first quarter of 2015, which provided additional downward pressure on developed market interest rates. The first quarter also saw a dramatic upward shift in municipal bond issuance. New issue supply, primarily driven by issuers refunding older, higher-cost debt, has reversed the supply/demand imbalance year-to-date.

Category flows were positive over the Fund's fiscal year, as investors regained confidence in the creditworthiness in the municipal space. Increased federal tax rates, and new Affordable Care Act taxes, also enhanced the attractiveness of municipal bonds relative to other fixed income alternatives. With new issue supply down approximately 12% in 2013, and in our view, entering the year priced relatively cheap to other investment grade fixed income products, there was pent-up demand and a recipe for a very big year in the municipal bond market.

Positioning

The Fund began the fiscal year positioned defensively in anticipation of the eventual start of an increasing interest rate cycle and the end of the 30-year bull market in bonds. Fund duration was below the Fund's benchmark entering the fiscal year due to a larger than normal cash position, as well as approximately 8% exposure to municipal floating rate notes and municipal auction rate notes. The shorter duration strategy was a drag on performance over the fiscal year, as the market rallied aggressively. Fund turnover remained very low.

The elevated cash position was intended to provide a cushion against expected continued redemptions as we entered 2014, as well as a tactical position to redeploy into anticipated higher-yielding investments as the year progressed. Neither of these events materialized, and the market continued to grind higher (yields moved lower) as the year unfolded.

Fund performance was also negatively impacted by a slight overweighting vs. our benchmark in a diversified portfolio of Puerto Rico credits, all of which were dragged down by persistent negative headlines on the fiscal condition of the Commonwealth and restructuring speculation. Puerto Rico positions were pared during the year, and portfolio exposure to Puerto Rico entering the new fiscal year is negligible.

We believe we exercised discipline by not chasing the heavily outperforming high-yield sector. We will not compromise our investment principles. We are not willing to take what we think is excessive credit and duration risks, or utilize leverage, in an effort to produce out-sized returns that we think historically have been unsustainable and may subject investors to increased risk and a higher level of net-asset-value volatility. We will not compromise our management discipline. Preservation of capital is an important consideration in our efforts.

Outlook

We enter the new fiscal year facing many of the same challenges that we faced entering last year: municipal headline risk, interest rate risk, geopolitical risk, global slowdown/deflation risk, as well as having to deal with the speculation and uncertainty with regard to the Fed's timetable for beginning to lift interest rates.

We fully expect market volatility to remain elevated. The U.S. economy appears to be recovering in most sectors, but recently reported softer economic data points have clouded the picture. Geopolitical tensions continue to be elevated. The Chinese and Japanese economies have been slowing, and most European economies are either in or near recession. However, despite all of these negative factors, we remain cautiously optimistic that the U.S. economy will continue to grow modestly.

We could be entering a challenging period for fixed income investors and total return expectations should probably be tempered to some degree. It is difficult to fathom the outsize total returns of the last few years continuing into the future, especially given that interest rates are still extremely low by all historical measures. In this low-yield environment, the Fund's yield cushion does not provide much protection from capital losses when measuring total return.

While we believe that the 30-plus year bull market in bonds is nearing the end, or has already ended, we do not believe that a bear market is necessarily imminent in the short run. Bond yields could stay in a low, narrow range for the remainder of 2015, into 2016, or even longer. Municipal bond new issue volume trends will need to be monitored closely.

We fully anticipate an elevated level of headline risk in our market. However, despite all of the naysayers, in our opinion, the municipal bond market is and will remain, a very strong market from a credit perspective. Since the 2008 financial crisis, there has been an average of five municipal defaults per year, up from an average of 1.3 defaults annually from 1970 to 2007, according to Moody's. There were no defaults among Moody's rated municipal issuers in 2014. Municipal bond defaults continue to be heavily concentrated in the high-yield category.

We expect to keep the interest rate sensitivity of the Fund lower/neutral to the benchmark. As a result of the decline in rates, and re-balancing, the benchmark duration (interest rate sensitivity) is approximately 20% shorter than it was one year ago. The Fund will continue to hold an overweight cash position to give us the flexibility to take advantage of what we hope to be more attractive investment opportunities in the future. The Fund will continue to hold overweight positions in low A – BBB investment grade credits. The municipal yield curve has flattened aggressively over the last fiscal year, and is currently near its 10-year average slope. Going forward, we expect to keep the average credit quality of the Fund in the A-AA range, while actively seeking what we think are relative value opportunities between sectors, states, and security structures.

Positioning and asset distribution across the yield curve will continue to be a vital part of our investment strategy, as well as monitoring cross market technical factors. We will occasionally attempt to exploit trading opportunities in the high-yield space, without compromising our style discipline. We believe that the Fund is well positioned relative to its peers. The objective of the Fund remains the same-to provide income that is not subject to federal income taxes, while maximizing tax-free total return. To achieve that objective, we plan primarily to continue investing in short-, intermediate- and longer-term investment grade municipal bonds with an emphasis on overall quality and capital preservation with minimal yield sacrifice.

The Fund's performance noted above is at net asset value (NAV), and does not include the effect of any applicable sales charges. If reflected, the sales charge would reduce the performance noted. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Fixed-income securities are subject to interest rate risk and, as such, the Fund's net asset value may fall as interest rates rise. The Fund may include a significant portion of its investments that will pay interest that is taxable under the Alternative Minimum Tax (AMT). These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Municipal Bond Fund.

PORTFOLIO HIGHLIGHTS

Ivy Municipal Bond Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Bonds	85.4%
Municipal Bonds	85.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	14.6%

Lipper Rankings

Category: Lipper General & Insured Municipal Debt Funds	Rank	Percentile
1 Year	216/252	86
3 Year	186/226	82
5 Year	142/204	70
10 Year	63/150	42

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Quality Weightings

Investment Grade	77.8%
AAA	3.1%
AA	33.0%
A	27.7%
BBB	14.0%
Non-Investment Grade	7.6%
BB	1.6%
B	0.6%
Non-rated	5.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	14.6%

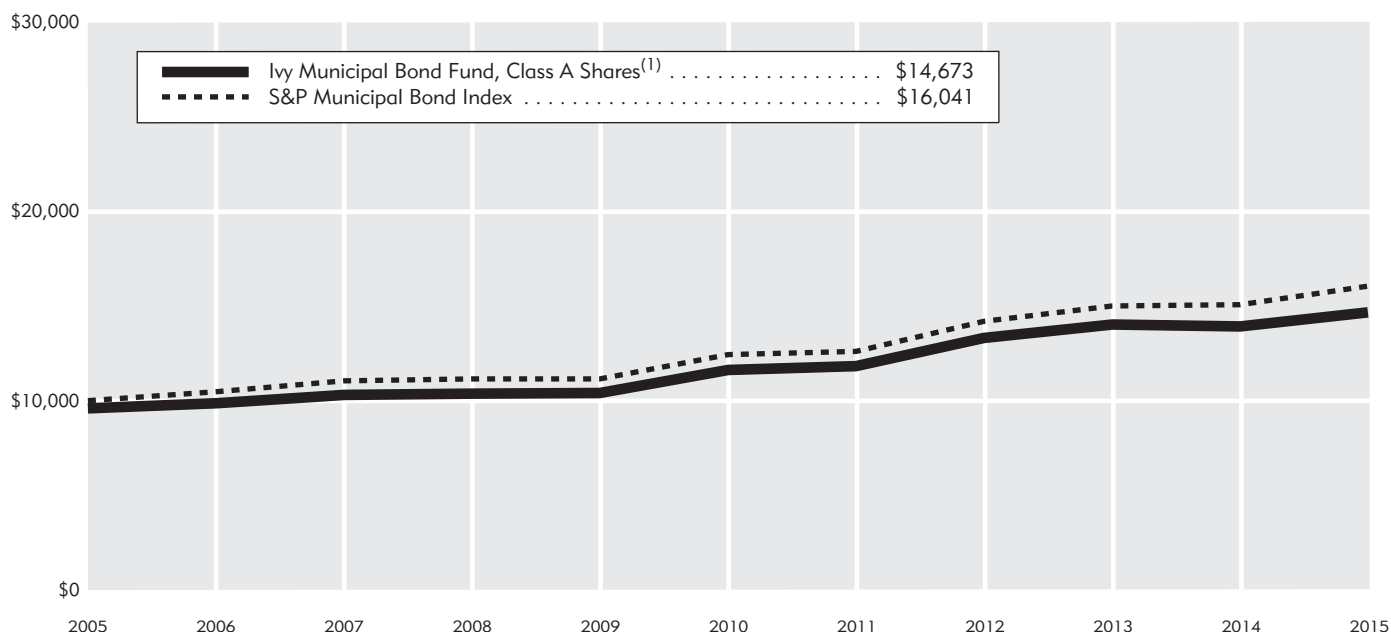
Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Municipal Bond Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I	Class Y ⁽⁵⁾
1-year period ended 3-31-15	1.03%	0.71%	4.72%	5.73%	5.52%
5-year period ended 3-31-15	3.90%	3.85%	4.02%	5.04%	4.81%
10-year period ended 3-31-15	3.91%	3.71%	3.56%	—	4.28%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	5.09%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 4.25%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) The return shown for Class Y is hypothetical because there were no shares or assets for the period from September 24, 2008 through October 7, 2009. Class A data has been substituted for Class Y data during that period.

(6) 11-4-09 for Class I shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value
Alabama – 1.3%			California (Continued)			California (Continued)		
The Pub Edu Bldg Auth of Tuscaloosa, Student Hsng Rev Bonds (Univ of AL Ridgecrest Residential Proj), Ser 2008, 6.750%, 7-1-33	\$ 500	\$ 574	CA Statewide Cmnty Dev Auth, Insd Rev Bonds (Henry Mayo Newhall Mem Hosp), Ser 2007A, 5.000%, 10-1-37	\$ 500	\$ 554	San Jose, CA Arpt Rev Bonds, Ser 2011A-1, 5.250%, 3-1-21	\$ 500	\$ 595
The Spl Care Fac Fin Auth of Birmingham - Children's Hosp, Hlth Care Fac Rev Bonds, Ser 2009, 6.000%, 6-1-39	750	878	CA Statewide Cmnty Dev Auth, Student Hsng Rev Bonds (Univ of CA, Irvine East Campus Apt, Phase I Rfdg-CHF-Irvine LLC), Ser 2011, 5.000%, 5-15-21	1,365	1,576	Southn CA Pub Power Auth, Transmission Proj Rev Bonds (Southn Transmission Proj), Ser 2008B, 6.000%, 7-1-27	500	582
Water Works Board of Birmingham, AL, Water Rev Bonds, Ser 2009-A, 5.125%, 1-1-34	750	838	CA Various Purp GO Bonds: 5.250%, 9-1-26	1,500	1,797	State Pub Works Board of CA, Lease Rev Bonds (Various Cap Proj), Ser 2011A: 5.250%, 10-1-24	500	610
		<u>2,290</u>	5.250%, 10-1-29	500	584	5.000%, 12-1-24	500	604
Arizona – 1.3%			6.500%, 4-1-33	1,000	1,214	Upland Unif Sch Dist (San Bernardino Cnty, CA), Election of 2008 GO Bonds, Ser A, 0.000%, 8-1-31 (B)	150	81
AZ Cert of Part, Ser 2010A (Insured by AGM), 5.250%, 10-1-26	1,000	1,136	6.000%, 11-1-39	500	607	Vernon Elec Sys Rev Bonds, Ser 2012A, 5.500%, 8-1-41	315	362
Rio Nuevo Multipurp Fac Dist (Tucson, AZ), Sub Lien Excise Tax Rev Bonds, Ser 2008, 6.625%, 7-15-25	500	583	CA Various Purp GO Rfdg Bonds, 5.000%, 2-1-33	2,000	2,305			<u>21,680</u>
Univ Med Ctr Corp. (Tucson, AZ), Hosp Rev Bonds, Ser 2009, 6.500%, 7-1-39	500	608	Cnty of Sacramento, Arpt Sys Sub and PFC/Grant Rev Bonds, Ser 2009, 5.125%, 7-1-25	500	562	Colorado – 2.5%		
		<u>2,327</u>	Contra Costa Trans Auth, Sales Tax Rev Bonds (Ltd. Tax Bonds), Ltd. Tax Rfdg Bonds, Ser 2012A, 0.485%, 3-1-34 (A)	1,000	1,000	Adams 12 Five Star Sch, Adams and Broomfield Cnty, CO Cert of Part, Ser 2008, 5.000%, 12-1-25	500	563
California – 12.0%			Golden State Tob Securitization Corp., Enhanced Tob Stlmt Asset- Bkd Bonds, Ser 2013A, 5.000%, 6-1-30	1,000	1,146	City and Cnty of Broomfield, CO, Rfdg Cert of Part, Ser 2010, 5.000%, 12-1-23	500	579
Bay Area Toll Auth, San Francisco Bay Area Toll Bridge Rev Bonds, Ser 2008 D-1 Index Rate Bonds, 0.971%, 4-1-45 (A)	1,000	1,012	La Quinta Redev Proj Areas No. 1 and 2, Tax Alloc Rfdg Bonds, Ser 2014A, 5.000%, 9-1-34	750	867	CO Hsng and Fin Auth, Sngl Fam Mtg Class I Bonds, Ser 2009A (Insured by FHA/VA), 5.500%, 11-1-29	925	957
Bay Area Toll Auth, San Francisco Bay Area Toll Bridge Rev Bonds, Ser 2008 G-1, 1.120%, 4-1-45 (A)	1,500	1,530	Los Angeles Unif Sch Dist (Cnty of Los Angeles, CA), GO Bonds, Election of 2005, Ser 2009F, 5.000%, 1-1-34	500	567	Joint Sch Dist No. 28J, Adams and Arapahoe Cnty, CO, GO Bonds, Ser 2008, 6.000%, 12-1-28	500	590
CA Cmnty Trans Rev (Installment Sale), Cert of Part (T.R.I.P. - Total Road Impvt Prog), Ser 2012B, 5.250%, 6-1-42	345	384	Mountain View Shoreline Reg Park Cmnty (Santa Clara Cnty, CA), Rev Bonds, Ser 2011A, 5.000%, 8-1-21	250	298	Lincoln Park Metro Dist, Douglas Cnty, CO, GO Rfdg and Impvt Bonds, Ser 2008, 6.125%, 12-1-30	500	567
CA Muni Fin Auth, Cmnty Hosp of Cent CA Oblg Group Cert of Part, 5.500%, 2-1-39	460	514	Palomar Pomerado Hlth, San Diego Cnty, CA, Cert of Part, 6.750%, 11-1-39	250	278	Platte Vly Fire Protection Dist, Weld Cnty, CO, Cert of Part, Ser 2012, 5.000%, 12-1-36	300	320
CA Pollutn Ctl Fin Auth, Solid Waste Disp Rev Bonds (Republic Svc, Inc. Proj), Ser 2002B, 5.250%, 6-1-23	415	451	Redev Agy for Riverside, Interstate 215 Corridor Redev Proj Area, 2010 Tax Alloc Bonds, Ser E, 5.250%, 10-1-20	570	658	Rgnl Trans Dist, Private Activity Bonds (Denver Transit Partn Eagle P3 Proj), Ser 2010, 6.500%, 1-15-30	750	892
CA Sch Fin Auth, Charter Sch Rev Bonds (Coastal Academy Proj), Ser 2013A, 5.000%, 10-1-22	375	413	Redev Agy for Riverside, Interstate 215 Corridor Redev Proj Area, Ser 2010E, 6.000%, 10-1-25	445	529			<u>4,468</u>

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value
Connecticut – 0.8%			Florida (Continued)			Illinois – 4.2%		
Cap City Econ Dev Auth, Prkg and Enrg Fee Rev Bonds, Ser 2008D, 5.000%, 6–15–22	\$ 370	\$ 413	Miami-Dade Cnty, FL, Water and Sewer Sys Rev Rfdg Bonds, Ser 2008B (Insured by AGM), 5.250%, 10–1–22	\$ 500	\$ 612	Belleville, IL, Tax Incr Rfdg Rev Bonds (Frank Scott Pkwy Redev Proj), Ser 2007A, 5.000%, 5–1–26	\$ 185	\$ 187
CT GO Bonds, Ser 2012D, 0.940%, 9–15–19 (A)	1,000	1,019	Miami-Dade Cnty, FL, Water and Sewer Sys Rev Rfdg Bonds, Ser 2008C (Insured by BHAC), 5.000%, 10–1–17	500	551	Build IL Sales Tax Rev Bonds, Ser 2011, 5.000%, 6–15–27	500	582
		<u>1,432</u>	Mid-Bay Bridge Auth, Springing Lien Rev Bonds, Ser 2011A, 7.250%, 10–1–34	500	617	City of Chicago, Second Lien Water Rev Bonds, Ser 2014, 5.000%, 11–1–39	1,500	1,679
District Of Columbia – 1.4%			Palm Beach Co, Hlth Fac Auth Rev Bonds (Lifespace Cmnty, Inc.), Ser 2015C, 5.000%, 5–15–30	1,000	1,138	IL Fin Auth, Rev and Rfdg Bonds (Roosevelt Univ Proj), Ser 2009, 6.500%, 4–1–39	500	566
DC GO Rfdg Bonds, Ser 2008F (Insured by BHAC), 5.000%, 6–1–19	1,000	1,129	Pinellas Cnty Edu Fac Auth, Rev Rfdg Prog Bonds (Barry Univ Proj), Ser 2012, 5.250%, 10–1–30	750	840	IL Fin Auth, Rev Bonds, The Univ of Chicago, Ser 2008B, 5.500%, 7–1–19	500	573
DC Hosp Rev Bonds (Sibley Mem Hosp Issue), Ser 2009, 6.375%, 10–1–39	750	884	Port St. Lucie, FL, Spl Asmt Rfdg Bonds (City Ctr Spl Asmt Dist), Ser 2008A, 5.750%, 7–1–20	500	559	IL Fin Auth, Student Hsng Rev Bonds (CHF-DeKalb LLC - Northn IL Univ Proj), Ser 2011, 5.750%, 10–1–21	395	441
Metro WA DC Arpt Auth, Dulles Toll Road, Second Sr Lien Rev Bonds, Ser 2009C, 0.000%, 10–1–41 (B)	500	594	St. Johns Cnty Indl Dev Auth, Rev Bonds (Presbyterian Ret Cmnty Proj), Ser 2010A, 5.875%, 8–1–40	500	564	IL GO Bonds, Ser 2012A, 4.000%, 1–1–23	1,250	1,323
		<u>2,607</u>	Volusia Cnty Edu Fac Auth, Edu Fac Rev Rfdg Bonds (Embry-Riddle Aeronautical Univ, Inc. Proj), Ser 2011, 5.250%, 10–15–22	500	586	IL Sales Tax Rev Bonds (Jr Oblig), Series 2013, 5.000%, 6–15–26	300	353
Florida – 5.7%					<u>10,228</u>	IL State Toll Hwy Auth, Toll Hwy Sr Rev Bonds, 2013 Ser A, 5.000%, 1–1–35	1,100	1,246
Brevard Cnty Hlth Fac Auth, Hlth Rev Bonds (Hlth First, Inc. Proj), Ser 2009B, 7.000%, 4–1–39	500	613	Georgia – 1.1%			State of IL GO Bonds, 5.500%, 7–1–26	500	<u>574</u>
Brevard Cnty, FL, Indl Dev Rev Bonds (TUFF FL Tech Proj), Ser 2009, 6.750%, 11–1–39	500	560	Dev Auth of Burke Cnty (GA), Pollutn Ctl Rev Bonds (Oglethorpe Power Corp. Vogtle Proj), Ser 2003A, 0.307%, 1–1–24 (A)	1,500	1,440			<u>7,524</u>
Citizens Ppty Ins Corp., Sr Secured Rev Bonds, Ser 2010A-1, 5.250%, 6–1–17	400	438	Muni Elec Auth of GA, Proj One Sub Bonds, Ser 2008D, 5.750%, 1–1–20	500	576	Indiana – 0.8%		
Hillsborough Cnty Indl Dev Auth, Indl Dev Rev Bonds, Hlth Fac Proj (Univ Cmnty Hosp), Ser 2008A, 5.625%, 8–15–29	555	641			<u>2,016</u>	East Chicago Elem Sch Bldg Corp. (Lake Cnty, IN), First Mtg Bonds, Ser 1993A, 5.500%, 1–15–16	40	40
Hillsborough Cnty Indl Dev Auth, Indl Dev Rev Bonds, Hlth Fac Proj (Univ Cmnty Hosp), Ser 2008B, 8.000%, 8–15–32	600	779	Hawaii – 1.3%			Hammond IN, Redev Dist Rev Bonds (Marina Area Proj), Ser 2008, 6.000%, 1–15–17	265	270
Miami-Dade Cnty, FL, Aviation Rev Bonds, Miami Intl Arpt (Hub of the Americas), Ser 2009A, 5.500%, 10–1–36	500	576	HI Arpt Sys Rev Bond, Rfdg Ser 2011, 5.000%, 7–1–21	1,000	1,176	IN Fin Auth, Fac Rev Rfdg Bonds (Miami Correctional Fac - Phase II), Ser 2008C, 5.000%, 7–1–17	500	548
Miami-Dade Cnty, FL, Aviation Rev Bonds, Ser 2010B, 5.000%, 10–1–23	500	576	HI Dept of Budget and Fin, Spl Purp Rev Bonds (The Queen's Hlth Sys), Ser 2015A, 5.000%, 7–1–35	1,000	1,152	Mt. Vernon Sch Bldg Corp. of Hancock Cnty, IN, First Mtg Bonds, Ser 2007 (Insured by AGM): 5.250%, 1–15–32	370	400
Miami-Dade Cnty, FL, GO Bonds (Bldg Better Cmnty Prog), Ser 2008B, 6.250%, 7–1–26	500	578			<u>2,328</u>	5.250%, 1–15–32	130	146
								<u>1,404</u>

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Iowa – 1.0%			Louisiana (Continued)			Michigan (Continued)		
Altoona, IA, Annual Appropriation Urban Renewal Tax Incr Rev Bonds, Ser 2008, 6.000%, 6–1–34	\$1,000	\$1,101	Rgnl Transit Auth, New Orleans, LA, Sales Tax Rev Bonds, Ser 2010 (Insured by AGM), 5.000%, 12–1–22	\$1,000	\$1,161	State Bldg Auth, MI, 2006 Rev Rfdg Bonds (Fac Prog), Ser IA (Insured by FGIC), 0.000%, 10–15–22 (B) ...	\$1,000	\$ 742
IA Higher Edu Loan Auth, Private College Fac Rev Bonds (Upper IA Univ Proj), Ser 2012, 5.000%, 9–1–33	750	741			4,918	State Bldg Auth, MI, 2008 Rev Rfdg Bonds (Fac Prog), Ser I, 5.000%, 10–15–18	305	345
		1,842	Maine – 1.5%					6,572
Kansas – 1.0%			ME Tpk Auth, Tpk Rev Rfdg Bonds, Ser 2015, 5.000%, 7–1–34 (C)	2,255	2,666	Minnesota – 0.3%		
Arkansas City, KS Pub Bldg Comsn, Rev Bonds (South Cent KS Rgnl Med Ctr), Ser 2009, 7.000%, 9–1–38	500	547	Maryland – 0.9%			Minneapolis-St. Paul Metro Arpt Comsn, Sub Arpt Rev Rfdg Bonds, Ser 2010D, 5.000%, 1–1–20	500	578
Shawnee Cnty, KS Cert of Part (First Responders Comm Proj), Ser 2012, 5.000%, 9–1–24	1,050	1,213	MD Econ Dev Corp., Pollutn Ctl Rev Rfdg Bonds (Potomac Elec Proj), Ser 2006, 6.200%, 9–1–22	500	592	Mississippi – 0.5%		
		1,760	MD Hlth and Higher Edu Fac Auth, Rev Bonds, Johns Hopkins Hlth Sys Oblig Group Issue, Ser 2012D, 0.945%, 5–15–38 (A)	1,000	1,008	The Univ of Southn MS, S.M. Edu Bldg Corp., Rev Bonds (Campus Fac Impvt Proj), Ser 2009, 5.375%, 9–1–36	750	848
Kentucky – 1.6%					1,600	Missouri – 2.8%		
Cmnwlth of KY, State Ppty and Bldg Comsn, Rev and Rev Rfdg Bonds, Proj No. 90, 5.750%, 11–1–19	500	581	Massachusetts – 1.1%			Belton, MO, Tax Incr Rev Bonds (Belton Town Centre Proj), Ser 2004, 6.250%, 3–1–24	195	195
KY Econ Dev Fin Auth, Hosp Rev Bonds, Ser 2010A: 5.500%, 6–1–21	500	577	MA Dev Fin Agy, Rev Bonds, Foxborough Rgnl Charter Sch Issue, Ser 2010, 6.375%, 7–1–30	495	549	Broadway-Fairview Trans Dev Dist (Columbia, MO), Trans Sales Tax Rev Bonds, Ser 2006A, 6.125%, 12–1–36	175	154
6.500%, 3–1–45	675	785	MA Edu Fin Auth, Edu Loan Rev Bonds, Issue I, Ser 2009, 6.000%, 1–1–28	830	885	Hlth and Edu Fac Auth, Hlth Fac Rev Bonds (The Children's Mercy Hosp), Ser 2009, 5.625%, 5–15–39	750	844
Louisville Rgnl Arpt Auth, Arpt Sys Rev Bonds, Ser 2008A, 5.250%, 7–1–28	500	565	MA Port Auth, PFC Rev Rfdg Bonds, Ser 2010-E, 5.000%, 7–1–15	500	506	Indl Dev Auth of Joplin, MO, Hlth Fac Rev Bonds (Freeman Hlth Sys), Ser 2011, 5.500%, 2–15–31	750	838
Tpk Auth of KY, Econ Dev Road Rev Bonds (Revitalization Proj), Ser 2008A, 5.000%, 7–1–16	330	350			1,940	Platte Cnty R-III Sch Dist Bldg Corp., Leasehold Rfdg and Impvt Rev Bonds, Ser 2008, 5.000%, 3–1–28	340	374
		2,858	Michigan – 3.6%			Pub Water Supply Dist No. 1 of Lincoln Cnty, MO, Cert of Part, Ser 2009, 6.750%, 6–15–35	500	519
Louisiana – 2.7%			Kalamazoo Hosp Fin Auth, Hosp Rev Rfdg Bonds (Bronson Methodist Hosp), Ser 2003A, 5.000%, 5–15–26	500	552	St. Louis Cnty, MO Indl Dev Auth, Sr Living Fac Rev Bonds (Friendship Vlg Sunset Hills), Ser 2012, 5.000%, 9–1–32	1,120	1,215
LA Citizens Prop Ins Corp., Assmt Rev Rfdg Bonds, Ser 2012, 5.000%, 6–1–24	500	582	MI Fin Auth, Hosp Rev and Rfdg Bonds (Trinity Hlth Credit Group), Ser 2015MI, 5.000%, 12–1–35	500	565	The Indl Dev Auth of Moberly, MO, Annual Appropriation Recovery Zone Fac Bonds (Proj Sugar), Ser 2010-C, 6.000%, 9–1–24 (D)	474	33
LA Local Govt Envirmt Fac and Cmnty Dev Auth, Hosp Rev Bonds (Women's Hosp Fndtn Gulf Opp Zone Proj), Ser 2010B, 6.000%, 10–1–44	750	878	MI State Hosp Fin Auth, Hosp Rev and Rfdg Bonds (Henry Ford Hlth Sys), Ser 2009, 5.750%, 11–15–39	750	853			
New Orleans Aviation Board, Rev Rfdg Bonds (Restructuring GARBs), Ser 2009A-1, 6.000%, 1–1–23	500	580	MI State Hosp Fin Auth, Var Rate Rev Bonds (Ascension Hlth Credit Group), Ser 1999B-4, 5.000%, 11–15–32	2,000	2,364			
New Orleans, LA, GO Rfdg Bonds, Ser 2012 (Insured by AGM), 5.000%, 12–1–26	1,500	1,717						

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Missouri (Continued)			New Jersey (Continued)			New York (Continued)		
The Indl Dev Auth of Platte Cnty, MO, Trans Rev Bonds (Zona Rosa Phase II Retail Proj), Ser 2007, 6.850%, 4-1-29	\$ 205	\$ 212	NJ Econ Dev Auth, Sch Fac Constr Rfdg Bonds, Ser 2011EE, 5.250%, 9-1-24	\$ 500	\$ 556	NY Enrg Research and Dev Auth, Pollutn Ctl Rev Bonds (Niagara Mohowak Power Corp. Proj), Ser 1985A (Insured by AMBAC), 0.444%, 12-1-23 (A) ...	\$1,380	\$ 1,323
The Indl Dev Auth of St. Joseph, MO, Spl Oblig Rev Bonds (St. Joseph Sewage Sys Impvt Proj), Ser 2007, 4.375%, 4-1-18	100	106	NJ Higher Edu Student Assistance Auth, Student Loan Rev Bonds, Ser 2011-1, 5.000%, 12-1-19	500	563	NY State Enrg Research and Dev Auth, Fac Rev Bonds (Consolidated Edison Co. of NY, Inc. Proj), Sub Ser 1999A-1 (Insured by AMBAC), 0.102%, 5-1-34 (A)	2,000	1,855
The Indl Dev Auth of St. Louis, MO, Sr Living Fac Rev Bonds (Friendship Vlg of West Cnty), Ser 2007A, 5.500%, 9-1-28	500	516	NJ Hlth Care Fac Fin Auth, Rev and Rfdg Bonds, Barnabas Hlth Issue, Ser 2011A, 5.625%, 7-1-37	500	577	NYC GO Bonds, Fiscal 2014 Ser G, 5.000%, 8-1-30	1,000	1,169
		<u>5,006</u>	NJ Hlth Care Fac Fin Auth, Rev Bonds, Virtua Hlth Issue, Ser 2009A, 5.500%, 7-1-38	500	564	NYC Hsng Dev Corp., Multi- Fam Hsng Rev Bonds, Ser 2009K, 4.950%, 11-1-39	415	436
Nebraska – 0.6%			NJ Trans Trust Fund Auth, Trans Sys Bonds, Ser 2006A (Insured by AGM/CR), 5.500%, 12-15-22	500	604	NYC Indl Dev Agy, Pilot Rev Bonds (Yankee Stadium Proj), Ser 2009A: 0.000%, 3-1-25 (B)	500	375
Omaha, NE Pub Power Dist, Separate Elec Sys Rev Bonds (NE City 2), Ser 2015A, 5.000%, 2-1-33	1,000	1,163	NJ Trans Trust Fund Auth, Trans Sys Bonds, Ser 2003B-2, 5.000%, 12-15-16	500	533	0.000%, 3-1-26 (B)	500	356
Nevada – 0.7%			Passaic Vly Sewerage Commissioners (NJ), Sewer Sys Bonds, Ser G, 5.750%, 12-1-21	435	527	0.000%, 3-1-27 (B)	500	339
Las Vegas Redev Agy, NV, Tax Incr Rev Bonds, Ser 2009A, 8.000%, 6-15-30	500	581			<u>6,887</u>	NYC Transitional Fin Auth, Future Tax Secured Tax- Exempt Sub Bonds, Ser 2013I, 5.000%, 5-1-29	400	478
Overton Power Dist No. 5 (NV), Spl Oblig Rev Bonds, Ser 2008: 6.000%, 12-1-16	75	80	New Mexico – 0.2%			Port Auth of NY & NJ Consolidated Bonds, One Hundred Fifty-Second Ser (Insured by BHAC), 5.750%, 11-1-30	500	566
6.250%, 12-1-17	270	301	NM Mtg Fin Auth, Sngl Fam Mtg Prog Class I Bonds, Ser 2006D (Insured by GNMA/FNMA/FHLMC), 6.000%, 1-1-37	350	367	Util Debt Securitization Auth, Restructuring Bonds, Ser 2013TE, 5.000%, 12-15-31	1,500	1,784
6.500%, 12-1-18	290	335	NM Mtg Fin Auth, Sngl Fam Mtg Prog Class I Bonds, Ser 2008D-2 (Insured by GNMA/FNMA/FHLMC), 5.250%, 7-1-30	65	67			<u>13,570</u>
		<u>1,297</u>			<u>434</u>	North Carolina – 0.5%		
New Hampshire – 0.6%			New York – 7.5%			NC Eastn Muni Power Agy, Power Sys Rev Bonds, Ser 2008C, 6.000%, 1-1-19	150	163
NH Hlth and Edu Fac Auth, Rev Bonds, Rivermead Issue, Ser 2011A, 6.875%, 7-1-41	150	172	Long Island Power Auth, Elec Sys Gen Rev Bonds, Ser 2014A (GTD by AGM), 5.000%, 9-1-39	1,500	1,689	NC Tpk Auth, Triangle Expressway Sys Rev Bonds, Ser 2009A, 0.000%, 1-1-37 (B)	500	223
NH Hlth and Edu Fac Auth, FHA Insd Mtg Rev Bonds, LRG Hlthcare Issue, Ser 2009 (Insured by FHA), 7.000%, 4-1-38	500	610	Metro Trans Auth, Trans Rev Bonds, Ser 2014C, 5.000%, 11-15-36	1,500	1,727	Oak Island, NC, Enterprise Sys Rev Bonds, Ser 2009, 6.000%, 6-1-34	500	585
NH Hsng Fin Auth, Sngl Fam Mtg Acquisition Rev Bonds, Ser 2008, 6.000%, 7-1-38	295	306	NY Dormitory Auth, Mercy Med Ctr Rev Bonds (Catholic Hlth of Long Island Oblig Group), Ser 1999B, 0.180%, 7-1-29 (A)	1,575	1,473			<u>971</u>
		<u>1,088</u>				Ohio – 0.8%		
New Jersey – 3.8%						OH Air Quality Dev Auth, Environmt Impvt Rev Bonds (Buckeye Power, Inc. Proj), Ser 2010, 5.750%, 12-1-30	500	584
NJ Econ Dev Auth, Rev Bonds (Provident Group- Montclair Pty LLC- Montclair St Univ Student Hsng Proj), Ser 2010A, 5.750%, 6-1-31	850	961						
NJ Econ Dev Auth, Sch Fac Constr Notes, Ser 2012H, 0.920%, 2-1-17 (A)	2,000	2,002						

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Ohio (Continued)			Pennsylvania (Continued)			Texas (Continued)		
OH Major New State Infra Proj Rev Bonds, Ser 2008-I, 6.000%, 6-15-17	\$ 395	\$ 441	Philadelphia Auth Indl Dev, Rev Bonds (Mariana Bracetti Academy Charter Sch Proj), Ser 2011, 7.250%, 12-15-31	\$ 400	\$ 451	Board of Regents, TX State Univ Sys, Rev Fin Sys Rev Bonds, Ser 2008, 5.250%, 3-15-19	\$ 355	\$ 398
Toledo-Lucas Cnty Port Auth, Dev Rev Bonds (NW OH Bond Fund) (Midwest Terminals Proj), Ser 2007C, 6.000%, 11-15-27	400	428	Philadelphia, PA, GO Rfdg Bonds, Ser 2008A (Insured by AGM), 5.250%, 12-15-24	445	504	Cass Cnty Indl Dev Corp., Environmt Impvt Rev Rfdg Bonds, Ser 2009A, 9.250%, 3-1-24	500	632
		<u>1,453</u>			<u>7,269</u>	Clifton Higher Edu Fin Corp., Edu Rev Bonds (IDEA Pub Sch), Ser 2011, 5.750%, 8-15-41	500	568
Oklahoma – 0.6%			Puerto Rico – 0.6%			Clifton Higher Edu Fin Corp., Edu Rev Bonds (Uplift Edu), Ser 2014A, 4.250%, 12-1-24	1,000	1,004
Grand River Dam Auth, Rev Bonds, Ser 2008A (Insured by BHAC), 5.000%, 6-1-18	905	1,020	Cmnwlth of PR, Pub Impvt Rfdg Bonds (GO Bonds), Ser 2007A, 5.500%, 7-1-21	500	428	El Paso, TX (El Paso Cnty), Water and Sewer Rev Rfdg Bonds, Ser 2008C, 5.000%, 3-1-17	500	542
Oregon – 0.8%			PR Aqueduct and Sewer Auth, Rev Bonds, Ser A (Sr Lien), 6.000%, 7-1-38	500	348	Harris Cnty Cultural Edu Fac Fin Corp., Med Fac Rev Rfdg Bonds (Baylor College of Medicine), Ser 2008D, 5.000%, 11-15-16	200	214
Hosp Fac Auth of Clackamas Cnty, OR, Rev Bonds (Legacy Hlth Sys), Ser 2009A, 5.500%, 7-15-35	250	282	PR Pub Fin Corp. (Cmnwlth Approp Bonds), 2011 Ser B, 5.500%, 8-1-31	250	128	Hopkins Cnty Hosp Dist, Hosp Rev Bonds, Ser 2008, 6.000%, 2-15-33	1,000	1,029
Port of Portland, OR, Portland Intl Arpt Rfdg Rev Bonds, Ser Twenty-Three, 5.000%, 7-1-34	1,000	1,167	PR Sales Tax Fin Corp., Sales Tax Rev Bonds, First Sub Ser 2010A, 0.000%, 8-1-33 (B)	500	238	Houston Higher Edu Fin Corp., Edu Rev Bonds (Cosmos Fndtn, Inc.), Ser 2011A, 6.500%, 5-15-31	1,000	1,213
		<u>1,449</u>			<u>1,142</u>	Houston, TX Arpt Sys, Sub Lien Rev Rfdg Bonds, Ser 2012A, 5.000%, 7-1-32	500	557
Pennsylvania – 4.0%			Rhode Island – 0.3%			Houston, TX, Combined Util Sys, First Lien Rev Rfdg Bonds (SIFMA Index Floating Rate Bonds), Ser 2012C, 0.620%, 5-15-34 (A)	500	501
Allegheny Cnty Arpt Auth, Arpt Rev Rfdg Bonds (Pittsburg Intl Arpt), Ser 2010A, 5.000%, 1-1-17	250	269	RI Student Loan Auth, Student Loan Prog Rev Bonds, Sr Ser 2008A, 5.250%, 12-1-18	490	530	Howard Cnty, TX GO Bonds, Ser 2008, 4.650%, 2-15-24	505	535
Cumberland Cnty Muni Auth, Rfdg Rev Bonds (Asbury PA Oblig Group), Ser 2012, 3.000%, 1-1-17	895	906	South Carolina – 0.7%			Lower Colorado River Auth, Rfdg Rev Bonds, Ser 2008A: 5.750%, 5-15-23	495	564
Dauphin Cnty Gen Auth, Hlth Sys Rev Bonds (Pinnacle Hlth Sys Proj), Ser 2009A, 6.000%, 6-1-36	600	701	SC Pub Svc Auth, Tax- Exempt Rfdg and Impvt Rev Oblig, Ser 2015A, 5.000%, 12-1-29	1,000	1,179	5.750%, 5-15-23	5	6
Lycoming Cnty Auth, Hlth Sys Rev Bonds (Susquehanna Hlth Sys Proj), Ser 2009A, 5.750%, 7-1-39	500	549	Tennessee – 0.8%			Mission Econ Dev Corp., Solid Waste Disp Rev Bonds (Dallas Clean Enrg McCommas Bluff LLC Proj), Ser 2011, 5.625%, 12-1-17	505	532
PA Auth for Indl Dev, Rev Bonds (MaSt Charter Sch Proj), Ser 2010, 6.000%, 8-1-35	750	826	Memphis-Shelby Cnty Arpt Auth, Arpt Rfdg Rev Bonds, Ser 2010B, 5.750%, 7-1-25	750	867	North TX Twy Auth, Sys Rev Rfdg Bonds, Ser 2008D, 0.000%, 1-1-30 (B)	1,000	568
PA Higher Edu Fac Auth, Rev Bonds (Shippensburg Univ Student Svc, Inc. Student Hsng Proj at Shippensburg Univ of PA), Ser 2011, 6.000%, 10-1-26	500	565	The Hlth, Edu and Hsng Fac Board of Shelby, TN, Rev Bonds (Methodist Le Bonheur Hlthcare), Ser 2008C, 5.250%, 6-1-18	500	559	North TX Twy Auth, Sys Rev Rfdg Bonds (First Tier Current Int Bonds), Ser 2008A: 6.000%, 1-1-25	420	477
PA Tpk Comsn, Tpk Sub Rev Bonds, Ser 2009D, 5.500%, 12-1-41	750	857			<u>1,426</u>	6.000%, 1-1-25	80	91
PA Tpk Comsn, Tpk Sub Rev Bonds, Ser 2010B-2, 0.000%, 12-1-28 (B)	1,500	1,641	Texas – 9.1%					
			Arlington, TX, Spl Tax Rev Bonds, Ser 2008 (Insured by BHAC), 5.000%, 8-15-18	300	332			
			Austin, TX Arpt Sys Rev Bonds (Travis, Williamson and Hays Counties), Ser 2014, 5.000%, 11-15-39	1,000	1,129			

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			SHORT-TERM SECURITIES		
	Principal	Value		Principal	Value		Principal	Value
Texas (Continued)			Virgin Islands (Continued)			Commercial Paper (E) – 7.8%		
Prosper, TX (Collin Cnty), Combination Tax and Rev Cert of Oblig, Ser 2008, 5.500%, 2–15–20	\$ 500	\$ 557	VI Pub Fin Auth, Sub Rev Bonds (VI Matching Fund Loan Note – Diageo Proj), Ser 2009A, 5.000%, 10–1–25	\$1,000	\$ 1,095	Ecolab, Inc., 0.480%, 4–9–15	\$5,000	\$ 5,000
Tarrant Cnty Cultural Edu Fac Fin Corp., Ret Fac Rev Bonds (NW Sr Hsng Corp. - Edgemere Proj), Ser 2006A, 6.000%, 11–15–36	500	524			1,649	General Mills, Inc., 0.450%, 4–13–15	5,000	4,999
Tarrant Cnty Cultural Edu Fac Fin Corp., Ret Fac Rev Bonds (Buckingham Sr Living Cmnty, Inc. Proj), Ser 2007, 5.625%, 11–15–27	250	259	Virginia – 0.5%			Kellogg Co., 0.430%, 4–9–15	3,000	3,000
Trinity River Auth of TX (Tarrant Cnty Water Proj), Impvt Rev Bonds, Ser 2008, 5.750%, 2–1–26	325	365	Indl Dev Auth of Washington Cnty, VA, Hosp Rev Bonds (Mountain States Hlth Alliance), Ser 2009C, 7.500%, 7–1–29	500	588	St. Jude Medical, Inc., 0.320%, 4–2–15	1,000	1,000
TX Muni Gas Acquisition and Supply Corp. III, Gas Supply Rev Bonds, Ser 2012, 5.000%, 12–15–16	1,000	1,061	VA Pub Bldg Auth, Pub Fac Rev Bonds, Ser 2008B, 5.250%, 8–1–22	250	283			13,999
TX Private Activity Bond Surface Trans Corp., Sr Lien Rev Bonds (North Tarrant Express Managed Lanes Proj), Ser 2009, 6.875%, 12–31–39	500	598			871	Master Note – 2.2%		
TX Private Activity Bond Surface Trans Corp., Sr Lien Rev Bonds (LBJ Infra Group LLC IH-635 Managed Lanes Proj), Ser 2010, 7.500%, 6–30–33	750	936	Washington – 0.3%			Toyota Motor Credit Corp., 0.130%, 4–1–15 (F) ...	4,025	4,025
TX Trans Comsn, Cent TX Tpk Sys Rev Bonds (First Tier Rev Rfdg Bonds), Ser 2015-B, 5.000%, 8–15–37	1,000	1,135	WA Hlth Care Fac Auth, Rev Bonds (Virginia Mason Med Ctr), Ser 2007C, 5.500%, 8–15–36	500	535	Municipal Obligations – 4.8%		
		16,327				CA Hlth Fac Fin Auth, Var Rate Hosp Rev Bonds (Adventist Hlth Sys/ West), Ser 1998B (GTD by Bank of America N.A.), 0.010%, 4–1–15 (F) ...	900	900
Utah – 0.4%			West Virginia – 0.3%			Columbus Rgnl Arpt Auth, Cap Funding Rev Bonds (OASBO Expanded Asset Pooled Fin Prog), Sr Ser 2006, 0.030%, 4–7–15 (F) ...	2,900	2,900
Midvale, UT Muni Bldg Auth Lease Rev Bonds (City Hall Proj), Ser 2012: 2.000%, 10–15–16	195	199	WV Hosp Fin Auth, Hosp Rev Rfdg and Impvt Bonds (WV Utd Hlth Sys Oblig Group), Ser 2009C, 5.500%, 6–1–39	500	560	Fremont (Alameda Cnty, CA), Fremont Public Fin Auth (GTD by U.S. Bank N.A.), 0.010%, 4–7–15 (F) ...	1,900	1,900
2.000%, 10–15–17	465	475				Irvine Unif Sch Dist, Cmnty Fac Dist No. 09-1, Adj Rate Spl Tax Bonds, Ser 2012A (GTD by U.S. Bank N.A.), 0.010%, 4–1–15 (F) ...	900	900
		674	Wisconsin – 1.0%			MN Office of Higher Edu, Adj Rate Supplemental Student Loan Prog Rev Bonds, Ser 2008B (Tax- Exempt), 0.020%, 4–7–15 (F) ...	2,000	2,000
Virgin Islands – 0.9%			Milwaukee Cnty, WI, Arpt Rev Rfdg Bonds, Ser 2010B, 5.000%, 12–1–19	1,000	1,152			8,600
VI Pub Fin Auth, Sub Rev Bonds (VI Matching Fund Loan Note – Cruzan Proj), Ser 2009A, 6.000%, 10–1–39	500	554	WI Hlth and Edu Fac Auth, Rev Bonds (Pro Hlth Care, Inc. Oblig Group), Ser 2009, 6.625%, 2–15–39	500	603	TOTAL SHORT-TERM SECURITIES – 14.8%		\$ 26,624
					1,755	(Cost: \$26,623)		
			Wyoming – 1.0%			TOTAL INVESTMENT SECURITIES – 100.2%		\$180,610
			WY Cmnty Dev Auth, Hsng Rev Bonds, 2014 Ser 1, 3.950%, 12–1–30	1,250	1,290	(Cost: \$168,640)		
			WY Muni Power Agy, Power Supply Sys Rev Bonds, Ser 2008A, 5.250%, 1–1–23	500	555	LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.2%)		(436)
					1,845	NET ASSETS – 100.0%		\$180,174
			TOTAL MUNICIPAL BONDS – 85.4%		\$153,986			
			(Cost: \$142,017)					

SCHEDULE OF INVESTMENTS

Ivy Municipal Bond Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015.

(B) Zero coupon bond.

(C) Purchased on a when-issued basis with settlement subsequent to March 31, 2015.

(D) Non-income producing as the issuer has either missed its most recent interest payment or declared bankruptcy.

(E) Rate shown is the yield to maturity at March 31, 2015.

(F) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Municipal Bonds	\$ —	\$153,986	\$ —
Short-Term Securities	—	26,624	—
Total	\$ —	\$180,610	\$ —

During the period ended March 31, 2015, securities totaling \$1,711 were transferred from Level 3 to Level 2 due to the increased availability of observable market data due to increased market activity or information for these securities. Transfers out of Level 3 represent the values as of the beginning of the reporting period. There were no transfers between Levels 1 and 2 during the period.

The following acronyms are used throughout this schedule:

AGM = Assured Guaranty Municipal

AMBAC = American Municipal Bond Assurance Corp.

BHAC = Berkshire Hathaway Assurance Corporation

CR = Custodial Receipts

FGIC = Financial Guaranty Insurance Co.

FHA = Federal Housing Administration

FHLMC = Federal Home Loan Mortgage Corp.

FNMA = Federal National Mortgage Association

GNMA = Government National Mortgage Association

GTD = Guaranteed

VA = Department of Veterans Affairs

See Accompanying Notes to Financial Statements.



Michael J. Walls

Below, Michael J. Walls, portfolio manager of the Ivy Municipal High Income Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. He has managed the Fund since 2009 and has 17 years of industry experience.

Fiscal Year Performance

For the 12 months ended March 31, 2015

Ivy Municipal High Income Fund (Class A shares at net asset value)	10.29%
Ivy Municipal High Income Fund (Class A shares with sales charge)	5.67%
Benchmark(s) and/or Lipper Category	
Barclays Municipal High Yield Index (reflects the performance of securities generally representing the high yield municipal bond market)	8.69%
Lipper High Yield Municipal Debt Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	10.22%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

The Fund outperformed its benchmark and peer group average for the fiscal year ending March 31, 2015.

We continued to see solid inflows into municipal bond funds throughout the fiscal year. Demand for municipal bonds continued to be strong as a result of higher taxes and their relative attractiveness versus taxable equivalents. With higher tax rates in 2015, we believe demand for high-yield municipal bonds should remain solid. Although we believe issuances will start to increase, we are confident that the demand should be equal to meet any additional supply.

With the solid inflows in the three quarters of calendar 2014 and the first quarter of calendar 2015, we have become less constructive on the high-yield municipal space and view the new issue market as fully priced on an absolute basis. While we continue to participate selectively in the new issue market, we believe attractively priced deals are few and far between.

Duration and credit management

Longer maturity high-yield bonds outperformed their shorter maturity counterparts within the high-yield index. The five-year and 10-year maturity bonds had positive returns of 5.80% and 7.94%, respectively, while the 30-year maturity bonds gained 10.28%. Having limited exposure to Puerto Rico versus the benchmark positively affected performance in the Fund as rating downgrades resulted in a negative return of 2.39% for Puerto Rico-backed bonds.

While duration management is important for a bond fund, we believe credit selection is paramount when investing in a high-yield municipal bond fund and was a key contributor to the Fund's outperformance during the fiscal year. With the steady rally in the municipal bond market, we have begun shying away from new issues as we view them as fully priced. We are still actively engaged in the secondary market as we think it is much more attractive on a relative basis. With the double-digit gains the market experienced over the past year we have become less bullish moving forward.

We have begun to shorten duration versus the high-yield index through aggressively seeking larger coupon bonds that are priced to short call dates. We will continue purchasing deals in the new issue and secondary market as opportunities present themselves.

In the near term, we believe the market will be volatile as investors review their portfolio mix between fixed income and equities. We believe investors will continue to search for tax-exempt yield due to higher tax rates, which should continue to provide demand for municipal debt. We think continued headline risk, namely Puerto Rico, could cause short-term price volatility. We will continue to allow cash to build in the Fund as we view current yields as unattractive. We will continue to maintain diversification across sectors and geographical regions.

The Fund's performance noted above is at net asset value (NAV), and does not include the effect of any applicable sales charges. If reflected, the sales charge would reduce the performance noted.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Fixed-income securities are subject to interest-rate risk, so the net asset value of the Fund's shares may fall as interest rates rise. The Fund may include a significant portion of its investments that will pay interest that is taxable under the Alternative Minimum Tax (AMT). These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed. The index (indexes) noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Municipal High Income Fund.

PORTFOLIO HIGHLIGHTS

Ivy Municipal High Income Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	0.1%
Bonds	88.0%
Municipal Bonds	87.8%
Corporate Debt Securities	0.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	11.9%

Lipper Rankings

Category: Lipper High Yield Municipal Debt Funds	Rank	Percentile
1 Year	63/140	45
3 Year	87/112	77
5 Year	51/106	48

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

Quality Weightings

Investment Grade	27.3%
AA	1.5%
A	5.7%
BBB	20.1%
Non-Investment Grade	60.8%
BB	9.4%
B	8.7%
CCC	2.1%
Non-rated	40.6%

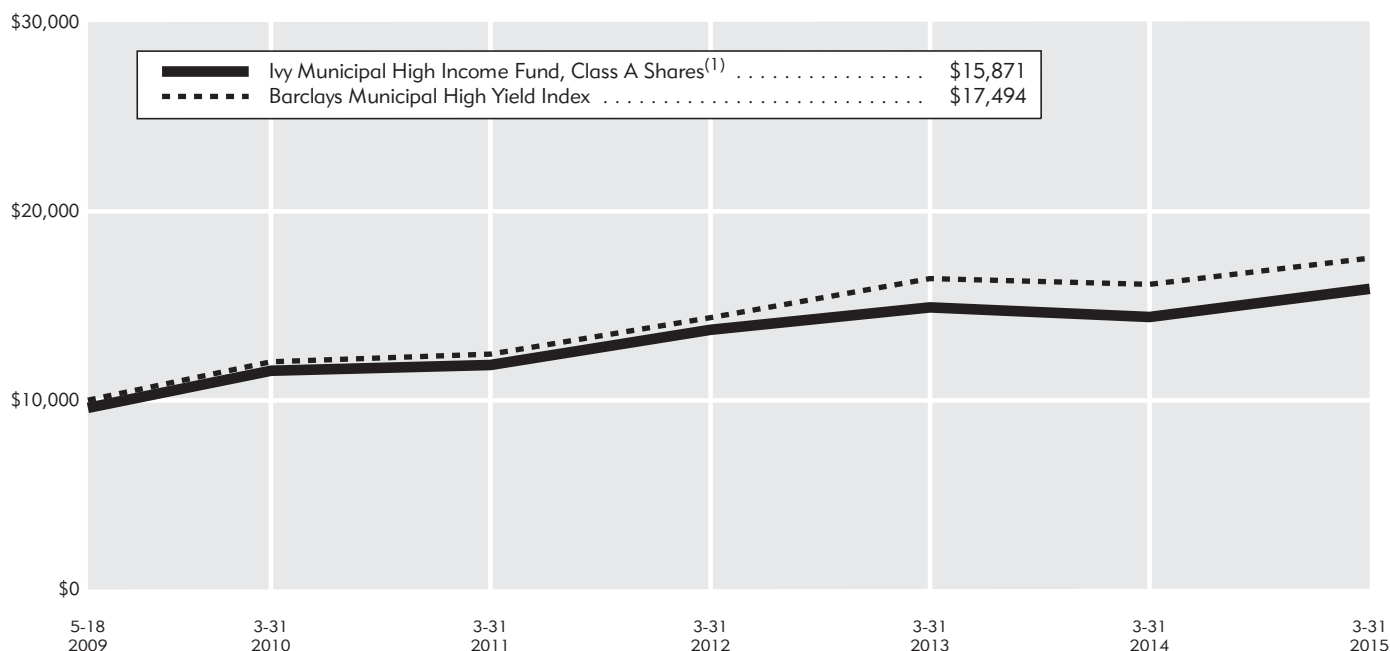
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Equities	11.9%
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Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Municipal High Income Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I ⁽⁵⁾	Class Y ⁽⁶⁾
1-year period ended 3-31-15	5.67%	5.44%	9.50%	10.50%	10.35%
5-year period ended 3-31-15	5.70%	5.60%	5.81%	6.80%	6.62%
10-year period ended 3-31-15	—	—	—	5.90%	—
Since Inception of Class through 3-31-15 ⁽⁷⁾	8.19%	8.02%	8.18%	—	8.80%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 4.25%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) The Class Y shares of Waddell & Reed Advisors Municipal High Income Fund were reorganized as the Class I shares of Ivy Municipal High Income Fund on May 18, 2009. The performance shown for periods prior to this date is that of the Class Y shares of Waddell & Reed Advisors Municipal High Income Fund. Performance has not been restated to reflect the estimated annual operating expenses of the Ivy Municipal High Income Fund. If those expenses were reflected, performance shown would differ.

(6) The return shown for Class Y is hypothetical because there were no shares or assets for the period from July 28, 2009 through October 7, 2009. Class A data has been substituted for Class Y data during that period.

(7) 5-18-09 for Class A shares, 5-18-09 for Class B shares, 5-18-09 for Class C shares and 5-18-09 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Education Services – 0.1%		
1155 Island Avenue LLC (A)	6,578	\$ 1,250
Total Consumer Discretionary – 0.1%		\$ 1,250
TOTAL COMMON STOCKS – 0.1%		\$ 1,250
(Cost: \$1,074)		
CORPORATE DEBT SECURITIES	Principal	
Consumer Discretionary		
Education – 0.2%		
1155 Island Avenue LLC, 10.00%, 12-11-24 (A)(B) ..	\$2,960	2,963
Total Consumer Discretionary – 0.2%		\$ 2,963
TOTAL CORPORATE DEBT SECURITIES – 0.2%		\$ 2,963
(Cost: \$2,549)		
MUNICIPAL BONDS		
Alabama – 0.9%		
AL 21st Century Auth, Tob Stlmt Rev Bonds, Ser 2012-A, 5.00%, 6-1-21	1,000	1,167
Detroit, MI, GO Bonds, Ser 2004-A (1) (Insured by AMBAC), 5.25%, 4-1-23	220	220
Fairfield, AL GO Warrants, Ser 2012, 6.00%, 6-1-37	8,485	9,218
MI Fin Auth, Local Govt Loan Prog Rev Bonds (City of Detroit Unlimited Tax GO Restructured Local Proj Bonds), Ser 2014G (Insured by AMBAC), 5.25%, 4-1-23	1,200	1,197
		<u>11,802</u>
Alaska – 0.5%		
Northn Tob Securitization Corp., Tob Stlmt Asset-Bkd Bonds, Ser 2006A Sr Cur Int Bonds, 5.00%, 6-1-46	8,500	6,676
Arizona – 1.7%		
Indl Dev Auth of Mohave Cnty, Correctional Fac Contract Rev Bonds (Mohave Prison LLC Expansion Proj), Ser 2008, 8.00%, 5-1-25	7,500	8,834

MUNICIPAL BONDS (Continued)	Principal	Value
Arizona (Continued)		
Indl Dev Auth of Pima, Edu Rev Bonds (Noah Webster Basic Sch Proj), Ser 2004A, 6.125%, 12-15-34	\$1,315	\$ 1,320
Indl Dev Auth of Pima, Edu Rev Bonds (Noah Webster Sch – Pima Proj), Tax-Exempt Ser 2014A, 7.00%, 12-15-43	1,500	1,608
Indl Dev Auth of Tempe, AZ, Rev Rfdg Bonds (Friendship Vlg of Tempe), Ser 2012A: 6.00%, 12-1-27	2,390	2,658
6.250%, 12-1-42	2,150	2,358
6.250%, 12-1-46	1,000	1,095
Indl Dev Auth of Tucson, Edu Rev Bonds (Agribusiness and Equine Ctr Proj), Ser 2004A, 6.125%, 9-1-34	500	501
Indl Dev Auth of Yavapai, Edu Rev Bonds (AZ Agribusiness and Equine Ctr, Inc. Proj), Ser 2011, 7.875%, 3-1-42	3,500	4,146
		<u>22,520</u>
California – 7.1%		
Adelanto Pub Auth, Fixed Rate Rfdg Rev Bonds (Util Sys Proj), Ser 2009A, 6.750%, 7-1-39	4,000	4,668
CA Muni Fin Auth, Edu Fac Rev Bonds (American Heritage Edu Fndtn Proj), Ser 2006A, 5.250%, 6-1-36	1,150	1,151
CA Muni Fin Auth, Edu Fac Rev Bonds (King/Chavez Academies Proj), Ser 2009A, 8.750%, 10-1-39	1,505	1,744
CA Muni Fin Auth, Edu Fac Rev Bonds (King/Chavez Academies Proj), Taxable Ser 2009B, 8.00%, 10-1-22	400	457
CA Muni Fin Auth, Edu Fac Rev Bonds (Literacy First Proj), Ser 2010B, 6.00%, 9-1-30	2,170	2,393
CA Sch Fin Auth, Charter Sch Rev Bonds (Coastal Academy Proj), Ser 2013A, 5.00%, 10-1-42	1,200	1,254
CA Statewide Cmnty Dev Auth, Rev Bonds (Lancer Plaza Proj), Ser 2013: 5.625%, 11-1-33	1,400	1,513
5.875%, 11-1-43	1,890	2,043

MUNICIPAL BONDS (Continued)	Principal	Value
California (Continued)		
CA Statewide Cmnty Dev Auth, Sch Fac Rev Bonds (Aspire Pub Sch), Ser 2010: 6.00%, 7-1-40	\$ 7,365	\$ 7,916
6.350%, 7-1-46	250	271
CA Statewide Cmnty Dev Auth, Sr Living Rev Bonds (Southn CA Presbyterian Homes), Ser 2009: 6.625%, 11-15-24	2,490	2,952
7.000%, 11-15-29	2,000	2,389
7.250%, 11-15-41	6,000	7,177
CA Various Purp GO Bonds, 6.00%, 4-1-35	500	596
Cert of Part, Oro Grande Elem Sch Dist, Ser 2013, 5.125%, 9-15-42	2,760	2,960
Golden State Tob Securitization Corp., Tob Stlmt Asset-Bkd Bonds, Ser 2007A-1, 5.125%, 6-1-47	5,140	3,994
Inland Empire Tob Securitization Auth, Tob Stlmt Asset-Bkd Bonds (Inland Empire Tob Securitization Corp.), Ser 2007, 4.625%, 6-1-21	6,035	5,981
Palomar Pomerado Hlth, San Diego Cnty, CA, Cert of Part: 6.750%, 11-1-39	4,935	5,478
6.000%, 11-1-41	3,000	3,221
Redev Agy of San Buenaventura, Merged San Buenaventura Redev Proj, 2008 Tax Alloc Bonds, 8.00%, 8-1-38	100	111
San Buenaventura Rev Bonds (Cmnty Mem Hlth Sys), Ser 2011: 8.00%, 12-1-26	1,400	1,863
8.00%, 12-1-31	9,400	12,105
San Mateo Cmnty Fac Dist No. 2008-1 (Bay Meadows), Spl Tax Bonds, Ser 2012, 6.00%, 9-1-42	8,000	9,395
Tob Securitization Auth of Southn CA, Tob Stlmt Asset-Bkd Bonds (San Diego Cnty Tob Asset Securitization Corp.), Ser 2006A Sr Current Int Bonds, 5.00%, 6-1-37	17,395	14,998
		<u>96,630</u>
Colorado – 3.3%		
Arkansas River Power Auth, CO, Power Rev Impvt Bonds, Ser 2008, 6.00%, 10-1-40	5,850	6,170

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Colorado (Continued)			Connecticut – 0.7%			Florida (Continued)		
Arkansas River Power Auth, CO, Power Rev Impvt Bonds, Ser 2010, 6.125%, 10–1–40	\$5,000	\$ 5,515	Harbor Point Infra Impvt Dist (Harbor Point Proj), Spl Oblig Rev Bonds, Ser 2010A, 7.875%, 4–1–39	\$2,000	\$2,423	Osceola Cnty, Expressway Sys Rev Bonds (Poinciana Prkwy Proj), Ser 2014A, 5.375%, 10–1–47	\$2,000	\$ 2,151
CO Edu and Cultural Fac Auth, Charter Sch Rev Bonds (The Classical Academy Proj), Ser 2008A, 7.400%, 12–1–38	85	104	Stamford, CT Spl Oblig Rev Bonds (Mill River Corridor Proj), Ser 2011A, 7.000%, 4–1–41	5,000	6,491			<u>43,265</u>
CO Edu and Cultural Fac Auth, Charter Sch Rev Bonds (Twin Peaks Charter Academy Proj), Ser 2008, 7.000%, 11–15–38	230	276			<u>8,914</u>	Guam – 0.9%		
CO Edu and Cultural Fac Auth, Independent Sch Rev Rfdg Bonds (Vail Mountain Sch Proj), Ser 2010, 6.125%, 5–1–40	1,000	1,120	Delaware – 0.6%			Cert of Part (JFK High Sch Proj), Dept of Edu, GU, Ser 2010A: 6.625%, 12–1–30	1,400	1,577
CO High Performance Trans Enterprise, U.S. 36 and I-25 Managed Lanes Sr Rev Bonds, Ser 2014, 5.750%, 1–1–44	3,250	3,533	DE Econ Dev Auth, Exempt Fac Rev Bonds (Indian River Power LLC Proj), Ser 2010, 5.375%, 10–1–45	7,000	7,683	6.875%, 12–1–40	3,500	3,947
CO Hlth Fac Auth, Rev Bonds (CO Sr Residences Proj), Ser 2012: 6.750%, 6–1–32	2,610	2,821	District Of Columbia – 0.1%			Govt of GU, GO Bonds, Ser 2009A, 7.000%, 11–15–39	6,000	7,100
7.125%, 6–1–47	3,000	3,273	Metro WA Arpt Auth, Dulles Toll Road, Second Sr Lien Rev Bonds, Ser 2010B, 0.000%, 10–1–44 (C)	1,000	1,071			<u>12,624</u>
CO Hlth Fac Auth, Rev Bonds (Total Longterm Care Natl Oblig Group Proj), Ser 2010A, 6.250%, 11–15–40	1,250	1,402	Florida – 3.2%			Hawaii – 0.5%		
Kremmling Mem Hosp Dist Proj, Ser 2010, 7.125%, 12–1–45	4,345	3,615	Brevard Cnty, FL, Indl Dev Rev Bonds (TUFF FL Tech Proj), Ser 2009: 6.500%, 11–1–29	875	973	Dept of Budget and Fin of HI, Spl Purp Sr Living Rev Bonds (15 Craigside Proj), Ser 2009A, 9.000%, 11–15–44	4,200	5,270
Lincoln Park Metro Dist, Douglas Cnty, CO, GO Rfdg and Impvt Bonds, Ser 2008, 6.200%, 12–1–37	3,500	3,977	6.750%, 11–1–39	2,060	2,306	Kaua'I Cmnty Fac Dist No. 2008-1 (Kukul'ula Dev Proj), Spl Tax Rev Bonds, Ser 2012, 5.750%, 5–15–42	2,000	2,085
Rgnl Trans Dist, Private Activity Bonds (Denver Transit Partn Eagle P3 Proj), Ser 2010, 6.500%, 1–15–30	3,000	3,568	Cap Trust Agy, First Mtg Rev Bonds (Silver Creek St. Augustin Proj), Ser 2014A, 8.250%, 1–1–49	3,000	3,222			<u>7,355</u>
Sorrel Ranch Metro Dist, Arapahoe Cnty, CO, GO Ltd. Tax Bonds, Ser 2006, 5.750%, 12–1–36	4,129	3,391	Cap Trust Agy, Rev Bonds (Million Air One LLC Gen Aviation Fac Proj), Ser 2011, 7.750%, 1–1–41	5,685	5,531	Idaho – 0.1%		
Tallgrass Metro Dist, Arapahoe Cnty, CO, GO Ltd. Tax Rfdg and Impvt Bonds, Ser 2007, 5.250%, 12–1–37	3,605	3,612	FL Dev Fin Corp., Edu Fac Rev Bonds (Renaissance Charter Sch, Inc. Proj), Ser 2010A: 6.000%, 9–15–40	4,000	4,193	ID Hsng and Fin Assoc (Compass Pub Charter Sch, Inc. Proj), Ser 2010A: 6.250%, 7–1–40	1,000	1,085
Wildgrass Metro Dist, Broomfield Cnty, CO, GO Ltd. Tax Rfdg Bonds, Ser 2007, 6.200%, 12–1–34	1,515	1,658	6.125%, 6–15–43	5,500	5,646	6.250%, 7–1–45	550	595
		<u>44,035</u>	FL Dev Fin Corp., Edu Fac Rev Bonds (Renaissance Charter Sch, Inc. Proj), Ser 2014A, 6.125%, 6–15–44	5,300	5,339			<u>1,680</u>
			FL Dev Fin Corp., Taxable Edu Fac Rev Bonds (Renaissance Charter Sch, Inc. Proj), Ser 2012B, 7.500%, 6–15–18	1,200	1,212	Illinois – 9.3%		
			Lee Cnty Indl Dev Auth, Hlthcare Fac Rfdg Rev Bonds (Cypress Cove at Health Park FL, Inc. Proj), Ser 2012, 6.500%, 10–1–47	6,000	6,785	Belleville, IL, Tax Incr Rfdg Rev Bonds (Frank Scott Pkwy Redev Proj), Ser 2007A, 5.700%, 5–1–36	4,160	4,226
			Mid-Bay Bridge Auth, Springing Lien Rev Bonds, Ser 2011A, 7.250%, 10–1–40	4,800	5,907	Cert of Part, Metra Market of Chicago LLC Redev Proj, Ser A, 6.870%, 2–15–24	1,200	1,204
						Chicago Midway Arpt, Second Lien Rev and Rev Rfdg Bonds, Ser 2014B, 5.000%, 1–1–35	4,500	5,059
						Chicago Midway Arpt, Second Lien Rev Rfdg Bonds, Ser 2013B, 5.000%, 1–1–35	3,000	3,335
						Chicago Multi-Fam Hsng Rev Bonds (Goldblatts Supportive Living Proj), Ser 2013, 6.125%, 12–1–43	6,000	5,761

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Illinois (Continued)			Illinois (Continued)			Indiana (Continued)		
Chicago O'Hare Intl Arpt, Gen Arpt Third Lien Rev Bonds, Ser 2011A, 5.750%, 1-1-39	\$ 1,000	\$ 1,165	Upper IL River Vly Dev Auth (Pleasant View Luther Home Proj), Rev Bonds, Ser 2010: 7.250%, 11-15-40	\$ 1,100	\$ 1,189	Whitestown, IN, Econ Dev Tax Incr Rev Bonds (Perry Indl Park and Whitestown Crossing Proj), Ser 2010A, 7.000%, 2-1-30	\$ 1,880	\$ 2,023
Fairview Heights, IL, Tax Incr Rfdg Rev Bonds (Shoppes at St. Clair Square Redev Proj), Ser 2009A, 8.000%, 12-1-28	230	244	7.375%, 11-15-45	1,500	1,619	Whiting, IN, Redev Dist Tax Incr Rev Bonds (Lakefront Dev Proj), Ser 2010, 6.750%, 1-15-32	1,175	1,317
IL Fin Auth, Rev and Rfdg Bonds (Roosevelt Univ Proj), Ser 2009, 6.500%, 4-1-44	10,000	11,297	Upper IL River Vly Dev Auth, Multi-Fam Hsng Rev Bonds (Deer Park of Huntley Proj), Ser 2012, 6.500%, 12-1-32	4,935	5,177	Whiting, IN, Redev Dist Tax Incr Rev Bonds (Standard Avenue Proj), Ser 2006, 5.350%, 1-15-27	3,605	3,703
IL Fin Auth, Rev Bonds (Admiral at the Lake Proj), Ser 2010A: 8.000%, 5-15-40	15,000	16,931	Vlg of Bridgeview, Cook Cnty, IL GO Rfdg Bonds, Ser 2014A, 5.500%, 12-1-43	5,000	5,403			<u>39,047</u>
8.000%, 5-15-46	4,500	5,058	Vlg of East Dundee, Kane and Cook Cnty, IL, Ltd. Oblig Tax Incr Rev Bonds (Route 25 South Redev Proj), Ser 2012, 5.625%, 12-1-31	1,505	1,507	Iowa - 0.2%		
IL Fin Auth, Rev Bonds (Lutheran Home and Svs Oblig Group), Ser 2012, 5.625%, 5-15-42	5,300	5,632	Vlg of Matteson, Cook Cnty, IL, GO Cap Apprec Debt Cert, Ser 2010, 0.000%, 12-1-29 (D)	1,840	1,680	IA Fin Auth, Ret Cmnty Rev Bonds (Edgewater LLC Proj), Ser 2007A, 6.750%, 11-15-37	3,000	3,194
IL Fin Auth, Rev Bonds (Navistar Intl Corp. Proj), Ser 2010, 6.500%, 10-15-40	9,500	10,337	Vlg of Riverdale, Cook Cnty, IL, Unlimited Tax GO Bonds, Ser 2011, 8.000%, 10-1-36	10,035	11,102			
IL Fin Auth, Rev Bonds (Silver Cross Hosp and Med Ctrs), Ser 2009, 7.000%, 8-15-44	7,000	8,726			<u>126,532</u>	Kansas - 0.4%		
IL Fin Auth, Rev Bonds (Three Crowns Park Proj), Ser 2006A: 5.875%, 2-15-26	1,000	1,014	Indiana - 2.9%			Arkansas City, KS Pub Bldg Comsn, Rev Bonds (South Cent KS Rgnl Med Ctr), Ser 2009, 7.000%, 9-1-38	500	547
5.875%, 2-15-38	3,000	3,029	City of Carmel, IN, Rev Bonds, Ser 2012A: 7.000%, 11-15-27	1,575	1,797	Atchison, KS, Hosp Rev Bonds (Atchison Hosp Assoc), Ser 2009, 4.480%, 9-1-30 (C)	1,000	1,003
Springfield, Sangamon Cnty, IL, Spl Svc Area (Legacy Pointe), Tax Bonds, Ser 2009, 7.875%, 3-1-32	500	527	7.000%, 11-15-32	2,000	2,248	Lawrence, KS (The Bowersock Mills & Power Co. Hydroelec Proj), Indl Rev Bonds (Recovery Zone Fac Bonds), Ser 2010A, 7.625%, 8-1-37	4,000	4,211
Springfield, Sangamon Cnty, IL, Spl Svc Area (Legacy Pointe), Tax Bonds, Ser 2010, 7.500%, 3-1-32	1,500	1,570	7.125%, 11-15-42	7,500	8,393			<u>5,761</u>
SW IL Dev Auth, Local Govt Prog Rev Bonds (City of Belleville-Carlyle/Green Mount Redev Proj), Ser 2011A, 7.000%, 7-1-41	6,000	6,378	Hammond IN, Redev Dist Rev Bonds (Marina Area Proj), Ser 2008, 6.000%, 1-15-17	5	5	Kentucky - 2.1%		
SW IL Dev Auth, Local Govt Prog Rev Bonds (Granite City Proj), Ser 2008, 7.000%, 12-1-22	1,680	1,974	Hendricks Cnty Redev Dist, Tax Incr Rev Rfdg Bonds, Ser 2010B, 6.450%, 1-1-23	190	193	KY Econ Dev Fin Auth, Hosp Rev Bonds, Ser 2010A: 6.375%, 6-1-40	12,000	13,899
SW IL Dev Auth, Local Govt Prog Rev Bonds (Granite City Proj), Ser 2009, 8.000%, 1-15-22	315	346	IN Fin Auth, Midwestrn Disaster Relief Rev Bonds (OH Vly Elec Corp. Proj), Ser 2012A, 5.000%, 6-1-39	10,000	10,753	6.500%, 3-1-45	6,000	6,978
SW IL Dev Auth, Local Govt Prog Rev Rfdg Bonds (Granite City Proj), Ser 2012, 5.250%, 3-1-23	4,790	5,042	Lake Station 2008 Bldg Corp., Lake Station, IN, First Mtg Bonds, Ser 2010, 6.000%, 7-15-27	3,170	3,530	KY Pub Trans Infra Auth, First Tier Toll Rev Bonds, Ser 2013A, 5.750%, 7-1-49	5,000	5,765
			Terre Haute, IN Rev Bonds (Westminister Vlg Proj), Ser 2012, 6.000%, 8-1-39	5,000	5,085	Murray, KY, Hosp Fac Rev Bonds (Murray-Calloway Cnty Pub Hosp Corp. Proj), Ser 2010, 6.375%, 8-1-40	2,000	2,233
								<u>28,875</u>

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Louisiana – 1.5%			Michigan (Continued)			Missouri (Continued)		
LA Pub Fac Auth, Solid			MI Fin Auth, Rev Bonds			5.400%, 10–1–26	\$ 385	\$ 349
Waste Disp Fac Rev			(Sch Dist of Detroit),			5.500%, 10–1–31	425	371
Bonds (LA Pellets, Inc.			Ser 2012,			5.550%, 10–1–36	325	275
Proj – Phase IIA),			5.000%, 6–1–20	\$ 1,425	\$ 1,581	Jennings, MO, Tax Incr and		
Ser 2014A,			MI Fin Auth, Sr Edu Fac Rev			Cmnty Impvt Rfdg Rev		
8.375%, 7–1–39	\$13,500	\$14,137	Bonds (St. Catherine of			Bonds (Northland Redev		
LA Pub Fac Auth, Solid			Siena Academy Proj),			Area Proj), Ser 2006,		
Waste Disp Fac Rev			Ser 2010A,			5.000%, 11–1–23	2,360	2,362
Bonds (LA Pellets, Inc.			8.500%, 10–1–45	13,000	8,222	Lakeside 370 Levee Dist (St.		
Proj), Ser 2013B,			MI Fin Auth, State Aid Rev			Charles Cnty, MO), Levee		
10.500%, 7–1–39	6,000	6,639	Notes (Detroit Sch Dist),			Dist Impvt Bonds,		
		<u>20,776</u>	Ser 2001A-1,			Ser 2008:		
Maine – 0.2%			8.000%, 10–1–30	2,480	1,568	6.000%, 4–1–18	1,170	585
ME Hlth and Higher Edu			MI Pub Edu Fac Auth, Ltd.			7.000%, 4–1–28	535	267
Fac Auth, Rev Bonds			Oblig Rev Bonds (Old			Land Clearance for Redev		
(Eastn ME Med Ctr Oblig			Redford Academy Proj),			Auth of St. Louis, Recovery		
Group Issue), Ser 2013,			Ser 2005A,			Zone Fac Bonds (Kiel		
5.000%, 7–1–43	2,000	2,147	5.875%, 12–1–30	1,720	1,723	Opera House Proj),		
Maryland – 0.3%			MI Tob Stlmt Fin Auth, Tob			Ser 2010B,		
MD Econ Dev Corp., Econ			Stlmt Asset-Bkd Bonds,			7.000%, 9–1–35	995	1,043
Dev Rev Bonds (Terminal			Ser 2008A,			Lee’s Summit, MO, Tax Incr		
Proj), Ser B,			6.875%, 6–1–42	16,500	16,451	Rev Bonds (Summit Fair		
5.750%, 6–1–35	500	543	MI Tob Stlmt Fin Auth, Tob			Proj),		
MD Econ Dev Corp., Port			Stlmt Asset-Bkd Bonds, Sr			Ser 2011,		
Fac Rfdg Rev Bonds			Current Int Bonds,			7.250%, 4–1–30	5,000	5,218
(CNX Marine Terminals,			Ser 2007A,			Meadows Trans Dev Dist		
Inc. Port of Baltimore			5.125%, 6–1–22	4,415	3,972	(Lake Saint Louis, MO),		
Fac), Ser 2010,					<u>61,580</u>	Ser 2010,		
5.750%, 9–1–25	3,350	3,746	Minnesota – 0.4%			5.400%, 5–1–35	1,030	1,085
		<u>4,289</u>	Minneapolis Hlth Care Sys			MO Dev Fin Board, Research		
Massachusetts – 1.9%			Rev Bonds (Fairview Hlth			Fac Rev Bonds (Midwest		
MA Port Auth, Spl Fac Rev			Svc), Ser 2008B,			Research Institute Proj),		
Bonds (Delta Air Lines,			6.500%, 11–15–38	4,350	5,092	Ser 2007,		
Inc. Proj), Ser 2001B			Missouri – 2.8%			4.500%, 11–1–27	225	233
(Auction Rate Sec)			Arnold, MO, Real Ppty Tax			St. Louis Cnty, MO, Rev		
(Insured by AMBAC),			Incr Rev Bonds (Arnold			Notes (Lambert Arpt Eastn		
0.155%, 1–1–31 (C)	30,000	25,725	Triangle Redev Proj),			Perimeter Redev Proj-		
Michigan – 4.6%			Ser 2009A,			RPA1), Sr Ser B,		
Econ Dev Corp. of Oakland			7.750%, 5–1–28	505	565	9.000%, 11–1–31	7,975	8,516
Cnty, Ltd. Oblig Rev Rfdg			Belton, MO, Tax Incr Rev			St. Louis Muni Fin Corp.,		
Bonds (The Roman			Bonds (Belton			Compound Int Leasehold		
Catholic Archdiocese of			Marketplace Redev Proj),			Rev Bonds (Convention Ctr		
Detroit), Ser 2011,			Ser 2012,			Cap Impvt Proj),		
6.500%, 12–1–20	4,195	4,524	6.375%, 12–1–29	1,670	1,705	Ser 2010A		
Kent Hosp, Fin Auth Rev			Belton, MO, Tax Incr Rev			(Insured by AGM):		
Bonds (Metro Hosp Proj),			Bonds (Belton Town			0.000%, 7–15–36 (D)	750	306
Ser 2005A,			Centre Proj), Ser 2004:			0.000%, 7–15–37 (D)	1,500	587
6.250%, 7–1–40	15,500	15,606	6.000%, 3–1–19	2,180	2,185	Tax Incr Fin Comsn of		
MI Fin Auth, Pub Sch			6.250%, 3–1–24	1,045	1,047	Kansas City, MO, Tax Incr		
Academy Ltd. Oblig Rev			Belton, MO, Tax Incr Rev			Rev Bonds (Brywood Ctr		
and Rev Rfdg Bonds (MI			Bonds (Belton Town			Proj),		
Technical Academy Proj),			Centre Proj), Ser 2006,			Ser 2010A,		
Ser 2012:			5.625%, 3–1–25	520	521	8.000%, 4–1–33 (E)	3,950	1,383
7.100%, 10–1–31	1,000	1,035	Broadway-Fairview Trans			The Elm Point Commons		
7.450%, 10–1–41	2,000	2,082	Dev Dist (Columbia, MO),			Cmnty Impvt Dist (St.		
MI Fin Auth, Pub Sch			Trans Sales Tax Rev			Charles, MO), Spl Assmt		
Academy Ltd. Oblig Rev			Bonds, Ser 2006A,			Bonds, Ser 2007,		
Bonds (Hanley Intl			6.125%, 12–1–36	200	175	5.750%, 3–1–27	110	114
Academy, Inc. Proj),			Grindstone Plaza Trans Dev			The Indl Dev Auth of		
Ser 2010A,			Dist (Columbia, MO),			Bridgeton, MO, Sales Tax		
6.125%, 9–1–40	4,535	4,816	Trans Sales Tax Rev			Rev Bonds (Hilltop Cmnty		
			Bonds, Ser 2006A:			Impvt Dist Proj),		
			5.250%, 10–1–21	250	244	Ser 2008A,		
						5.875%, 11–1–35	250	248

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Missouri (Continued)			New Jersey (Continued)			New York (Continued)		
The Indl Dev Auth of Kansas City, MO, Hlth Care Fac First Mtg Rev Bonds (The Bishop Spencer Place Proj), Ser 1994:			5.000%, 6-15-28	\$ 1,000	\$ 1,109	NY Liberty Dev Corp. Rev Bonds (3 World Trade Center Proj), Ser 2014, 5.000%, 11-15-44	\$25,000	\$26,412
6.250%, 1-1-24	\$1,140	\$ 1,142	5.000%, 6-15-29	500	551	The Orange Co. Funding Corp. (NY), Assisted Living Residence Rev Bonds (The Hamlet at Wallkill Assisted Living Proj), Ser 2012, 6.500%, 1-1-46	11,500	11,582
6.500%, 1-1-35	3,000	3,005	NJ Econ Dev Auth, Spl Fac Rev Bonds (Continental Airlines, Inc. Proj), Ser 2000A, 5.625%, 11-15-30	2,500	2,842			
The Indl Dev Auth of Lee's Summit, MO, Infra Fac Rev Bonds (Kensington Farms Impvt Proj), Ser 2007, 5.750%, 3-1-29	1,000	1,008	NJ Edu Fac Auth, Rev Rfdg Bonds, Univ of Medicine and Dentistry of NJ Issue, Ser 2009B: 7.125%, 12-1-23	850	1,053			
The Indl Dev Auth of Moberly, MO, Annual Appropriation Recovery Zone Fac Bonds (Proj Sugar), Ser 2010-C, 6.000%, 9-1-24 (E)	1,895	133	7.500%, 12-1-32	450	565			
The Indl Dev Auth of Platte Cnty, MO, Trans Rev Bonds (Zona Rosa Phase II Retail Proj), Ser 2007, 6.850%, 4-1-29	200	207	Tob Stlmt Fin Auth, Tob Stlmt Asset-Bkd Bonds, Ser 2007-1A Sr Current Int Bonds, 4.750%, 6-1-34	5,000	3,843			
The Indl Dev Auth of St. Joseph, MO, Hlthcare Rev Bonds (Living Cmnty of St. Joseph Proj), Ser 2002, 7.000%, 8-15-32	3,000	3,005	Tob Stlmt Fin Corp., Tob Stlmt Asset-Bkd Bonds, Ser 2007-1A, 5.000%, 6-1-41	12,000	9,263			
		<u>37,884</u>			<u>20,351</u>			
Nebraska – 0.7%			New York – 4.5%			North Carolina – 0.1%		
Cent Plains Enrg Proj, Gas Proj Rev Bonds (Proj No. 3), Ser 2012: 5.250%, 9-1-37	5,000	5,602	Dormitory Auth, Sch Dist Rev Bond Fin Prog, Ser 2010A (Insured by AGM), 5.000%, 10-1-22	1,000	1,175	NC Med Care Comsn, Ret Fac First Mtg Rev Bonds (Galloway Ridge Proj), Ser 2010A, 6.000%, 1-1-39	1,520	1,646
5.000%, 9-1-42	3,000	3,300	Nassau Cnty Indl Dev Agy, Continuing Care Ret Cmnty Rev Bonds (Amsterdam at Harborside Proj), Ser 2014A2, 6.500%, 1-1-32	5,269	5,268			
		<u>8,902</u>	Nassau Cnty Indl Dev Agy, Continuing Care Ret Cmnty Rev Bonds (Amsterdam at Harborside Proj), Ser 2014A4, 6.700%, 1-1-49	9,000	8,987	Ohio – 2.1%		
Nevada – 0.2%			Nassau Cnty Indl Dev Agy, Continuing Care Ret Cmnty Rev Bonds (Amsterdam at Harborside Proj), Ser 2014A5, 6.700%, 1-1-49	2,179	2,176	Cleveland-Cuyahoga Cnty Port Auth, Dev Rev Bonds (Flats East Dev Proj), Ser 2010B, 7.000%, 5-15-40	2,585	3,015
Las Vegas Redev Agy, NV, Tax Incr Rev Bonds, Ser 2009A, 8.000%, 6-15-30	1,500	1,743	Nassau Cnty Indl Dev Agy, Continuing Care Ret Cmnty Rev Bonds (Amsterdam at Harborside Proj), Ser 2014A4, 6.700%, 1-1-49	9,000	8,987	Cleveland-Cuyahoga Cnty Port Auth, Dev Rev Bonds (Garfield Heights Proj), Ser 2004D, 5.250%, 5-15-23	1,055	1,060
Overton Power Dist No. 5 (NV), Spl Oblig Rev Bonds, Ser 2008, 8.000%, 12-1-38	265	313			Cnty of Muskingum, OH, Hosp Fac Rev Bonds (Genesis Hlth Care Sys Oblig Group Proj), Ser 2013, 5.000%, 2-15-48	8,000	8,308	
		<u>2,056</u>				Columbus-Franklin Cnty Fin Auth, Dev Rev Bonds (Cent OH Rgnl Bond Fund), (One Neighborhood Proj), Ser 2010A, 6.500%, 11-15-39	1,225	1,267
New Hampshire – 0.2%						Greene Cnty Port Auth, Adult Svc Fac Rev Bonds (Greene, Inc. Proj), Ser 2009, 7.500%, 12-1-33	500	610
NH Hlth and Edu Fac Auth, Rev Bonds, Rivermead Issue, Ser 2011A, 6.875%, 7-1-41	2,300	2,636				OH Higher Edu Fac Rev Bonds (Ashland Univ 2010 Proj), 6.250%, 9-1-24	830	797
New Jersey – 1.5%						SE OH Port Auth, Hosp Fac Rev Rfdg and Impvt Bonds (Mem Hlth Sys of OH), Ser 2012, 6.000%, 12-1-42	3,750	4,071
NJ Econ Dev Auth, Cigarette Tax Rev Rfdg Bonds, Ser 2012: 5.000%, 6-15-26	1,000	1,125				Toledo-Lucas Cnty Port Auth, Dev Rev Bonds (Toledo Sch for the Arts Proj), Ser 2007B, 5.500%, 5-15-28	830	882

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)			MUNICIPAL BONDS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Ohio (Continued)			Pennsylvania (Continued)			Puerto Rico (Continued)		
Toledo—Lucas Cnty Port Auth, Spl Assmt Rev Bonds (Crocker Park Pub Impvt Proj), Ser 2003, 5.375%, 12-1-35	\$ 9,000	\$ 9,054	PA Higher Edu Fac Auth, Student Hsng Rev Bonds (Univ Ppty, Inc. Student Hsng Proj at East Stroudsburg Univ of PA), Ser 2010, 6.000%, 7-1-21	\$ 1,000	\$ 1,170	PR Elec Power Auth, Power Rev Bonds, Ser 2012A, 5.000%, 7-1-42	\$10,000	\$ 5,855
		<u>29,064</u>	PA Tpk Comsn, Tpk Sub Rev Bonds, Ser 2009E, 0.000%, 12-1-38 (C) ...	19,000	20,760	PR Elec Power Auth, Power Rev Bonds, Ser 2013A: 7.000%, 7-1-40	1,000	585
Oklahoma – 0.7%			Philadelphia Auth Indl Dev, Rev Bonds (Global Leadership Academy Charter Sch Proj), Ser 2010, 6.375%, 11-15-40	1,000	1,081	7.000%, 7-1-43	14,000	8,191
OK Cnty Fin Auth, Ret Fac Rev Bonds (Concordia Life Care Cmnty), Ser 2005: 6.125%, 11-15-25	2,000	2,021	Philadelphia Auth Indl Dev, Rev Bonds (Mariana Bracetti Academy Charter Sch Proj), Ser 2011: 7.150%, 12-15-36	6,000	6,688	PR Pub Bldg Auth, Govt Fac Rev Rfdg Bonds, Ser U, 5.250%, 7-1-42	8,755	5,531
6.000%, 11-15-38	7,495	7,543	7.625%, 12-15-41	6,925	7,893	PR Pub Fin Corp. (Cmnwlth Approp Bonds), 2011 Ser B: 6.000%, 8-1-25	5,025	2,657
		<u>9,564</u>	Philadelphia Auth Indl Dev, Rev Bonds (New Foundations Charter Sch Proj), Ser 2012, 6.625%, 12-15-41	2,000	2,231	6.000%, 8-1-26	1,000	527
Oregon – 0.9%			Philadelphia, PA, Gas Works Rev Bonds (1998 Gen Ordinance), Ninth Ser, 5.250%, 8-1-40	1,250	1,415	PR Sales Tax Fin Corp., Sales Tax Rev Bonds, First Sub Ser 2009A, 6.375%, 8-1-39	5,500	3,528
Hosp Fac Auth of Deschutes Cnty, OR, Hosp Rev Rfdg Bonds (Cascade Hlthcare Cmnty, Inc.), Ser 2008, 8.250%, 1-1-38	1,240	1,493	The Borough of Langhorne Manor, Higher Edu and Hlth Auth (Bucks Cnty, PA), Hosp Rev Bonds (Lower Bucks Hosp), Ser 1992, 7.300%, 7-1-12 (E)	70	20	PR Sales Tax Fin Corp., Sales Tax Rev Bonds, First Sub Ser 2010A, 5.375%, 8-1-39	5,000	3,008
Hosp Fac Auth of Salem, OR, Rev Rfdg Bonds (Cap Manor, Inc.), Ser 2012, 6.000%, 5-15-42	1,900	2,118				PR Sales Tax Fin Corp., Sales Tax Rev Bonds, First Sub Ser 2010C, 6.500%, 8-1-35	1,000	652
OR Fac Auth, Rev Bonds (Concordia Univ Proj), Ser 2010A: 6.125%, 9-1-30	1,035	1,115						<u>66,621</u>
6.375%, 9-1-40	1,750	1,910				South Carolina – 0.1%		
Port of Portland, OR, Portland Intl Arpt Passenger Fac Charge Rev Bonds, Ser 2011A, 5.500%, 7-1-30	5,180	5,960				Piedmont Muni Pwr Agy, SC, Elec Rev Rfdg Bonds, Ser 2008C, 5.750%, 1-1-34	1,550	1,850
		<u>12,596</u>						
Pennsylvania – 4.8%						Texas – 14.8%		
Butler Cnty Hosp Auth, Hosp Rev Bonds (Butler Hlth Sys Proj), Ser 2009B, 7.250%, 7-1-39	200	249	Puerto Rico – 4.9%			Cap Area Cultural Ed Fac Fin Corp., Rev Bonds (The Roman Catholic Diocese of Austin), Ser 2005B, 6.125%, 4-1-45	3,150	3,683
Cumberland Cnty Muni Auth, Rfdg Rev Bonds (Asbury PA Oblig Group), Ser 2010, 6.125%, 1-1-45	5,000	5,405	Cmnwlth of PR, GO Bonds of 2014, Ser A, 8.000%, 7-1-35	11,000	9,054	Cass Cnty Indl Dev Corp., Environmt Impvt Rev Bonds, Ser 2009A, 9.500%, 3-1-33	500	632
Delaware Cnty Indl Dev Auth, Charter Sch Rev Bonds (Chester Cmnty Charter Sch Proj), Ser 2010A, 6.125%, 8-15-40	14,500	15,034	Cmnwlth of PR, Pub Impvt Rfdg GO Bonds, Ser 2011C, 6.500%, 7-1-40	3,000	2,151	Cent TX Rgnl Mobility Auth, Sr Lien Rev Bonds, Ser 2010: 0.000%, 1-1-36 (D)	500	199
PA Higher Edu Fac Auth, Rev Bonds (Edinboro Univ Fndtn Student Hsng Proj at Edinboro Univ of PA), Ser 2010, 6.000%, 7-1-43	2,530	2,782	Cmnwlth of PR, Pub Impvt Rfdg GO Bonds, Ser 2012A: 5.750%, 7-1-28	3,000	2,135	0.000%, 1-1-40 (D)	500	163
			5.500%, 7-1-39	5,000	3,378	Cent TX Rgnl Mobility Auth, Sub Lien Rev Rfdg Bonds, Ser 2013: 5.000%, 1-1-33	6,000	6,589
			PR Aqueduct and Sewer Auth, Rev Bonds, Ser 2012A (Sr Lien), 5.250%, 7-1-24	9,000	6,703	5.000%, 1-1-42	3,000	3,256
			PR Aqueduct and Sewer Auth, Rev Bonds, Ser A, 6.000%, 7-1-47	12,000	8,168	Dallas/Fort Worth Intl Arpt, Joint Rev Impvt Bonds, Ser 2013A, 5.000%, 11-1-45	8,000	8,726
			PR Elec Power Auth, Power Rev Bonds, Ser 2010XX: 5.750%, 7-1-36	2,415	1,413	Grand Prkwy Trans Corp., First Tier Toll Rev Bonds, Ser 2013A, 5.500%, 4-1-53	10,000	11,264
			5.250%, 7-1-40	5,270	3,085			

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value
Texas (Continued)			Texas (Continued)			Texas (Continued)		
Hackberry, TX, Combination Spl Assmt and Contract Rev Road Bonds (Hackberry Hidden Cove Pub Impvt Dist No. 2 Proj), Ser 2009A: 8.625%, 9-1-29 \$ 125 \$ 140 9.000%, 9-1-38 1,250 1,402			Sanger, TX, Indl Dev Corp., Indl Dev Rev Bonds (TX Pellets Proj), Ser 2012B, 8.000%, 7-1-38 \$13,000 \$14,791			TX Trans Comsn, Cent TX Tpk Sys, First Tier Rev Rfdg Bonds, Ser 2012-A, 5.000%, 8-15-41 \$10,000 \$ 11,125		
Harris Cnty Cultural Edu Fac Fin Corp., Rev Rfdg Bonds (Space Ctr Houston Proj), Sr Ser 2009, 7.000%, 8-15-28 500 546			Tarrant Cnty Cultural Edu Fac Fin Corp., Charter Sch Rev Bonds (Trinity Basin Preparatory Proj), Ser 2009A, 7.750%, 6-1-39 155 192			Wise Cnty, TX, Lease Rev Bonds (Parker Cnty Jr College Dist Proj), Ser 2011, 8.000%, 8-15-34 5,000 6,134		
Hopkins Cnty Hosp Dist, Hosp Rev Bonds, Ser 2008: 6.000%, 2-15-33 2,000 2,058 6.000%, 2-15-38 250 256			Tarrant Cnty Cultural Edu Fac Fin Corp., Ret Fac Rev Bonds (Buckingham Sr Living Cmnty, Inc. Proj), Ser 2007: 5.500%, 11-15-22 2,000 2,083 5.625%, 11-15-27 250 259 5.750%, 11-15-37 6,840 7,028					199,748
Houston Higher Edu Fin Corp., Edu Rev Bonds (Cosmos Fndtn, Inc.), Ser 2011A, 6.875%, 5-15-41 3,800 4,678			Tarrant Cnty Cultural Edu Fac Fin Corp., Ret Fac Rev Bonds (Mirador Proj), Ser 2010A: 8.000%, 11-15-29 2,500 2,445 8.125%, 11-15-39 5,000 4,852			Utah – 0.4%		
Houston, TX Arpt Sys, Sub Lien Rev Rfdg Bonds, Ser 2011B: 5.000%, 7-1-25 1,000 1,161 5.000%, 7-1-26 2,680 3,102			Tarrant Cnty Cultural Edu Fac Fin Corp., Ret Fac Rev Bonds (NW Sr Hsng Corp. – Edgemere Proj), Ser 2006A: 6.000%, 11-15-26 2,035 2,147 6.000%, 11-15-36 6,615 6,939			UT State Charter Sch Fin Auth, Charter Sch Rev Bonds (North Davis Preparatory Academy), Ser 2010, 6.250%, 7-15-30 1,015 1,117		
Houston, TX, Arpt Sys Spec Fac Rev Rfdg Bonds (United Airlines, Inc. Arpt Impvt Proj), Ser 2015C, 5.000%, 7-15-20 10,000 10,723			Travis Cnty Hlth Fac Dev Corp., Ret Fac Rev Bonds (Querencia at Barton Creek Proj), Ser 2005A, 5.100%, 11-15-15 400 409			UT State Charter Sch Fin Auth, Charter Sch Rev Bonds (North Star Academy Proj), Ser 2010B, 7.000%, 7-15-45 2,100 2,352		
La Vernia Higher Edu Fin Corp. (KIPP, Inc.), Ser 2009A, 6.375%, 8-15-44 2,000 2,286			TX Muni Gas Acquisition and Supply Corp. III, Gas Supply Rev Bonds, Ser 2012, 5.000%, 12-15-32 3,000 3,308			UT State Charter Sch Fin Auth, Charter Sch Rev Bonds (Paradigm High Sch), Ser 2010, 6.375%, 7-15-40 2,160 2,168		
La Vernia Higher Edu Fin Corp. (Winfree Academy Charter Sch), Edu Rev Bonds, Ser 2009, 9.000%, 8-15-38 2,505 2,910			TX Private Activity Bond Surface Trans Corp., Sr Lien Rev Bonds (North Tarrant Express Managed Lanes Proj), Ser 2009, 6.875%, 12-31-39 12,975 15,528					5,637
Lubbock Hlth Fac Dev Corp., First Mtg Rev and Rfdg Bonds (Carillon Sr Life Care Cmnty Proj), Ser 2005A: 6.500%, 7-1-26 1,500 1,551 6.625%, 7-1-36 7,000 7,217			TX Pub Fin Auth Charter Sch Fin Corp., Edu Rev Bonds (Cosmos Fndtn, Inc.), Ser 2010A, 6.200%, 2-15-40 10,000 11,550			Virgin Islands – 0.1%		
Mission Econ Dev Corp., Solid Waste Disp Rev Bonds (Dallas Clean Enrg McCommas Bluff LLC Proj), Ser 2011, 6.875%, 12-1-24 2,540 2,681			TX Pub Fin Auth Charter Sch Fin Corp., Edu Rev Bonds (Odyssey Academy, Inc.), Ser 2010A, 7.125%, 2-15-40 2,000 2,522			VI Pub Fin Auth, Sub Rev Bonds (VI Matching Fund Loan Note – Diageo Proj), Ser 2009A, 6.625%, 10-1-29 935 1,068		
North TX Twy Auth, Spl Proj Sys Rev Bonds Convertible Cap Apprec Bonds, Ser 2011C, 0.000%, 9-1-43 (C) 11,000 10,345						Virginia – 2.0%		
Pharr, TX Higher Edu Fin Auth, Edu Rev Bonds (Idea Pub Sch), Ser 2009A: 6.250%, 8-15-29 350 398 6.500%, 8-15-39 200 230						Econ Dev Auth of James City Cnty, VA, Residential Care Fac Rev Bonds (VA Utd Methodist Homes of Williamsburg, Inc.), Ser 2013A: 6.000%, 6-1-43 3,039 3,010 2.000%, 10-1-48 983 43		

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

MUNICIPAL BONDS

(Continued)

Principal Value

Virginia (Continued)

Mosaic Dist Cmnty Dev Auth, Fairfax Cnty, VA, Rev Bonds, Ser 2011A, 6.875%, 3-1-36	\$4,300	\$ 4,982
Norfolk Redev and Hsng Auth, Multifam Rental Hsng Fac Rev Bonds (1016 L.P. - Sussex Apt Proj), Ser 1996, 8.000%, 9-1-26	405	405
VA Small Business Fin Auth, Sr Lien Rev Bonds (Elizabeth River Crossing Opco LLC Proj), Ser 2012: 6.000%, 1-1-37	8,000	9,337
5.500%, 1-1-42	7,500	8,261
		<u>27,308</u>

Washington - 1.5%

Indl Dev Corp of the Port of Seattle, Spl Fac Rev Rfdg Bonds (Delta Air Lines, Inc. Proj), Ser 2012, 5.000%, 4-1-30	4,000	4,218
Port of Sunnyside, Yakima Cnty, WA, Rev Bonds (Indl Wastewater Treatment Sys), Ser 2008, 6.625%, 12-1-21	1,945	2,154
WA Hlth Care Fac Auth, Rev Bonds (Cent WA Hlth Svcs Assoc), Ser 2009: 6.250%, 7-1-24	795	891
7.000%, 7-1-31	1,680	1,972
7.000%, 7-1-39	2,000	2,335
WA Hlth Care Fac Auth, Rev Bonds (Seattle Cancer Care Alliance), Ser 2008, 7.375%, 3-1-38	250	308
WA State Hsng Fin Comsn (Rockwood Ret Cmnty Proj), Nonprofit Hsng Rev and Rfdg Rev Bonds, Ser 2014A, 7.500%, 1-1-49	8,000	9,005
		<u>20,883</u>

West Virginia - 0.3%

Brooke Cnty, WV, Rev Bonds (Bethany College), Ser 2011A, 6.750%, 10-1-37	4,000	4,476
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Wisconsin - 1.8%

Pub Fin Auth, Sr Arpt Fac Rev and Rfdg Bonds (Trlps Obligated Group), Ser 2012B, 5.000%, 7-1-42	5,000	5,310
WI Hlth and Edu Fac Auth, Rev Bonds (Beloit College), Ser 2010A: 6.125%, 6-1-35	1,220	1,377
6.125%, 6-1-39	250	281

MUNICIPAL BONDS

(Continued)

Principal Value

Wisconsin (Continued)

WI Hlth and Edu Fac Auth, Rev Bonds (Saint John's Cmnty, Inc.), Ser 2009: 7.250%, 9-15-29 ...	\$ 2,180	\$ 2,569
7.625%, 9-15-39 ...	5,500	6,541
WI Hlth and Edu Fac Auth, Rev Bonds (Woodland Hills Sr Hsng Proj), Ser 2014, 5.000%, 12-1-44 ...	4,000	4,049
WI Pub Fin Auth, Edu Rev Bonds (Triad Edu Svc), Ser 2015A, 5.500%, 6-15-45 ...	4,000	4,003
		<u>24,130</u>

TOTAL MUNICIPAL BONDS - 87.8%

\$1,188,718

(Cost: \$1,141,773)

SHORT-TERM SECURITIES

Commercial Paper (F) - 8.3%

Baxter International, Inc., 0.480%, 4-9-15	10,000	9,998
Bemis Co., Inc., 0.500%, 4-9-15	10,000	9,999
0.510%, 4-21-15 ...	5,000	4,999
CVS Caremark Corp., 0.470%, 4-27-15 ...	5,000	4,998
General Mills, Inc., 0.450%, 4-13-15 ...	5,000	4,999
Kellogg Co., 0.480%, 4-14-15 ...	10,000	9,998
0.520%, 4-22-15 ...	5,000	4,998
Kroger Co. (The), 0.500%, 4-6-15	4,000	4,000
Mondelez International, Inc., 0.470%, 4-9-15	15,000	14,998
NBCUniversal Enterprise, Inc., 0.420%, 4-1-15	10,000	10,000
0.500%, 4-9-15 ...	10,000	9,999
San Francisco, CA Pub Util Comsn, Water Rev Commercial Paper, Ser A-1-T (Taxable), (GTD by Royal Bank of Canada), 0.130%, 4-21-15 ...	3,900	3,900
Virginia Electric and Power Co., 0.500%, 4-22-15 ...	5,000	4,998
0.520%, 5-4-15	15,000	14,993
		<u>112,877</u>

SHORT-TERM SECURITIES

(Continued)

Principal Value

Master Note - 0.1%

Toyota Motor Credit Corp., 0.130%, 4-1-15 (G)	\$1,648	\$ 1,648
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Municipal Obligations - 2.0%

CA GO Notes, Ser B-6 (Taxable), (GTD by Bank of America N.A.), 0.120%, 4-22-15 ...	3,000	3,000
City of Chicago, GO Var Rate Demand Bonds, Ser 2003B-1 (GTD by JPMorgan Chase & Co.), 0.020%, 4-7-15 (G) ..	4,800	4,800
Columbus Rgnl Arpt Auth, Cap Funding Rev Bonds (OASBO Expanded Asset Pooled Fin Prog), Sr Ser 2006, 0.030%, 4-7-15 (G) ..	2,500	2,500
Harris Cnty Hosp Dist, Sr Lien Rfdg Rev Bonds, Ser 2010 (GTD by JPMorgan Chase & Co.), 0.020%, 4-7-15 (G) ..	2,000	2,000
MN Office of Higher Edu, Adj Rate Supplemental Student Loan Prog Rev Bonds, Ser 2008B (Tax- Exempt), 0.020%, 4-7-15 (G) ..	4,300	4,300
MS Business Fin Corp., Gulf Opp Zone Indl Dev Rev Bonds (Chevron USA, Inc. Proj), Ser 2007D (GTD by Chevron Corp.), 0.010%, 4-1-15 (G) ..	9,000	9,000
NY State Hsng Fin Agy, Riverside Ctr 2 Hsng Rev Bonds, Ser 2013A-2 (GTD by Bank of America N.A.), 0.020%, 4-7-15 (G) ..	1,000	1,000
		<u>26,600</u>

TOTAL SHORT-TERM SECURITIES - 10.4%

\$ 141,125

(Cost: \$141,127)

TOTAL INVESTMENT SECURITIES - 98.5%

\$1,334,056

(Cost: \$1,286,523)

CASH AND OTHER ASSETS, NET OF LIABILITIES - 1.5%

20,140

NET ASSETS - 100.0%

\$1,354,196

SCHEDULE OF INVESTMENTS

Ivy Municipal High Income Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A) Deemed to be an affiliate due to the Fund owning at least 5% of the voting securities.

(B) Payment-in-kind bonds.

(C) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015.

(D) Zero coupon bond.

(E) Non-income producing as the issuer has either missed its most recent interest payment or declared bankruptcy.

(F) Rate shown is the yield to maturity at March 31, 2015.

(G) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$ —	\$ —	\$1,250
Corporate Debt Securities	—	2,963	—
Municipal Bonds	—	1,188,718	—
Short-Term Securities	—	141,125	—
Total	\$ —	\$1,332,806	\$1,250

During the period ended March 31, 2015, securities totaling \$26,775 were transferred from Level 3 to Level 2 due to increased availability of observable market data due to increased market activity or information for these securities. Transfers out of Level 3 represent the values as of the beginning of the reporting period. There were no transfers between Level 1 and 2 during the period.

The following acronyms are used throughout this schedule:

AMBAC = American Municipal Bond Assurance Corp.

AGM = Assured Guaranty Municipal

GTD = Guaranteed

See Accompanying Notes to Financial Statements.



Timothy J. Miller

Below, Timothy Miller, CFA, portfolio manager of the Ivy Small Cap Growth Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. He has managed the Fund since 2010 and has 36 years of investment experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Small Cap Growth Fund (Class A shares at new asset value)	8.03%
Ivy Small Cap Growth Fund (Class A shares including sales charges)	1.82%
Benchmark(s) and/or Lipper Category	
Russell 2000 Growth Index (generally reflects the performance of small-company growth stocks)	12.06%
Lipper Small-Cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	8.09%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Key drivers

Small-cap growth stocks staged a late rally in the fiscal year ended March 31, 2015 to pull even with the S&P 500 Index for the 12-month period while lagging the mid- and large-cap growth indexes. Calendar year 2014 was a year of consolidation and retrenchment for small-cap growth stocks after posting dramatic gains in 2013 and coming off of a five-year run of outperformance. When reviewing the prior two-year window of small-cap growth stock performance versus the S&P 500, the surge of outperformance in 2013 had been completely reversed by September 2014, at which point another rally ensued through the end of the fiscal year.

The correction of small-cap growth stocks in calendar year 2014 tended to be a combination of excessive valuations, high expectations and a sufficient degree of fundamental economic and earnings disappointment. After the banner year of 2013, there was simply not much room for any disappointment in earnings, and the discrepancy between small-cap valuations and large-cap valuations was too wide. Consequently, as fears of interest rate hikes set in during March 2014, the biotech bubble started to burst and along with it, all of the high expectation, highly valued small-cap technology and health care stocks. The correction was sharp but short-lived, however, as the fears of an interest rate hike waned. The benchmark U.S. Treasury 10-year bond began calendar year 2014 near 3%, but was drifting downward in the first half of the year, which provided some stabilization for the market. Then followed a roller coaster summer/fall period in the market driven by recession fears in Europe and China, while the U.S. economy was strengthening. Another upward spike in the U.S. Treasury 10-year yield in September drove the small-cap growth stock market to its low point for the fiscal year.

An important variable in the economic puzzle then started to provide a stimulus to consumers worldwide. Oil prices were cracking and cracking hard. West Texas Intermediate Oil (WTI) was priced in the \$90 per barrel range for the first half of the fiscal year, and the forces of global supply and demand finally leaned against prices, driving WTI down to the \$50s range by the end of 2014. The oil “dividend” coincided with another decline in the U.S. Treasury 10-year bond yield to a level below 2%, resulting in an economic boost for the consumer and a valuation boost for the market. So all of those highly valued biotech stocks that were crushed during the summer proceeded to rise again over the balance of the fiscal year. The small-cap growth index significantly outperformed from the September/October low point, catching the S&P 500, but falling short of the mid- and large-cap growth indexes.

Contributors and detractors

The Fund lagged its benchmark for the 12-month period ended March 31, 2015. The principal cause of the underperformance can be attributed to the Fund’s underweight allocation to biotechnology and semiconductor stocks. While the Fund had exposure to both, it was not nearly sufficient enough to catch the dramatic gains in the benchmark over the fiscal period. When a group has a strong bull market move, it tends to generally be the lowest quality and most risky stocks that lead the gains, and last fiscal year was no exception. The Fund’s positions in Microsemi Corp. and Diodes, Inc. participated in the semiconductor rally, but Power Integrations was down for the period after reporting a disappointing quarter. The net result was a significant shortfall for the industry and a drag on the technology sector. The Fund’s largest weight within technology was in the software sector, where outperformance overall was provided by positions in SS&C Technologies, Tyler Technologies, Manhattan Associates, Ultimate Software and lastly by Micros Systems which we sold out of the portfolio when it was acquired by Oracle. Most of the Fund’s communication equipment stocks were eliminated during the fiscal year as global spending on networks and communications equipment did not meet our expectations.

The biotech sector has posed quite a challenge for the Fund since the index contains more than 90 of these stocks, and most of them appear to be relying on the still-unproven results of drug development. The group as a whole, however, generally trade as a pack and has been very interest-rate sensitive. Since earnings for biotechs theoretically come about far into the future, the discount rate is critical to their valuation and low interest rates positively influence their discounted value, as does the risk premium or risk sentiment in the market. When rates are falling and the risk appetite is rising, the low discount rate can send the stocks soaring as a group and it is difficult to match those gains. The Fund has used a total return swap to get exposure to this large biotech universe, but the Fund’s exposure was well below the 10-12% index weighting, hence the lagging performance.

Assuming that we are in the latter stages of the ultra-low interest rate environment, we believe this situation should reverse and work in the Fund's favor over the next few years.

Outside of biotechs, the Fund's health care winners included a number of medical technology and service companies such as Dexcom Inc., Spectranetics Corp. and AMN Healthcare Services. These and others contributed to net positive performance in the non-biotech/pharma portion of the health care sector.

Positive performance versus the benchmark was achieved most significantly in the consumer discretionary sector. The Fund raised its weighting in the consumer sectors during the second half of the year with a focus on restaurants, retail and apparel. The decrease in oil and the U.S. Treasury 10-year bond yield coincided with an improving domestic job market, which provided a strong catalyst for spending growth. Fund beneficiaries included Sonic, Zumiez, Burlington Stores, Asbury Automotive Group and Fiesta Restaurant Group. Sales comparisons and earnings in all cases handily exceeded expectations. The Fund tends to favor restaurant and retail concepts that we believe have strong brand recognition, healthy profitability and good unit growth potential. One of the Fund's largest positions, Vail Resorts, also participated nicely in the recovery. The company prevailed in a dispute over ownership of the Park City, Utah mountain resort, which set up the opportunity for substantial earnings accretion from the development of its Utah assets. Vail successfully acquired a powerful suite of mountain assets across the U.S. and leveraged that position with a shrewd financial strategy that is centered around its season pass program. Further growth opportunities outside of the U.S. are likely the next step.

The Fund navigated the volatility in the energy sector over the year with an overweight position in the first half and an underweight position in the second half as oil prices were falling. The focus of the Fund continues to be on what we think are the best-positioned, faster-growing exploration and production (E&P) companies. During the past year, the emphasis was on E&P companies operating in the Permian Basin, where multiple pay zones and a large field have created what are, in our opinion, very attractive economics. The acquisition of Athlon Energy (no longer a Fund holding) by Encana Corp. at a nice premium provided confirmation of this theme. Diamondback Energy was the other major contributor for the year. Positions eliminated during the year included Rice Energy, Callon Petroleum and Dril-Quip. Offsetting some of the E&P gains was a disappointment from Matrix Services, a company that builds storage tanks/terminals and provides other construction services to the energy industry. A loss on a problem contract acquired by the company resulted in a sharp correction in the stock. We believe this was an overreaction that should be resolved over the next 12 months.

The balance of the portfolio experienced a minor drag, with the Fund's overweight in banks and asset managers lagging. While the transports and commercial services holdings were positive contributors, the balance of industrials was impacted by its association with the energy sector.

Outlook

The strategy for the next 12 months will lean a bit more conservatively and focus on the strongest core positions in the Fund. Small caps tend to be primarily domestic businesses, and as such, we believe will benefit from the strength of the U.S. economy and be less impacted by the rising dollar. We think the factors favoring the consumer sector remain in place and could be favorably boosted by a rising wage trend as well. The software sector also is likely to remain an area of the Fund's focus, with an emphasis on growth companies that we think are showing progress in the profitability and cash-generating characteristics of their model. Health care device companies and service companies will also remain an area of focus. In our opinion, the most dominant variable over the next 12 months will be the direction of interest rates. The market's perception that the bottom has been reached and a rising trend is forthcoming could shake up the highest valued, riskiest portion of the market and favor the better quality positions in the portfolio.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investing in small-cap stocks may carry more risk than investing in stocks of larger, more well-established companies. Prices of growth stocks may be more sensitive to changes in current or expected earnings than the prices of other stocks. Growth stocks may not perform as well as value stocks or the stock market in general. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Small Cap Growth Fund's performance.

PORTFOLIO HIGHLIGHTS

Ivy Small Cap Growth Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.3%
Consumer Discretionary	25.3%
Information Technology	18.2%
Industrials	17.7%
Health Care	16.5%
Financials	14.1%
Energy	2.9%
Consumer Staples	2.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.7%

Lipper Rankings

Category: Lipper Small-Cap Growth Funds	Rank	Percentile
1 Year	295/539	55
3 Year	210/477	44
5 Year	201/416	49
10 Year	68/296	23

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Vail Resorts, Inc.	Consumer Discretionary	Leisure Facilities
Ultimate Software Group, Inc. (The)	Information Technology	Application Software
DexCom, Inc.	Health Care	Health Care Equipment
Cepheid	Health Care	Biotechnology
SVB Financial Group	Financials	Regional Banks
Jack Henry & Associates, Inc.	Information Technology	Data Processing & Outsourced Services
Watsco, Inc.	Industrials	Trading Companies & Distributors
Bank of the Ozarks, Inc.	Financials	Regional Banks
Sonic Corp.	Consumer Discretionary	Restaurants
HNI Corp.	Industrials	Office Services & Supplies

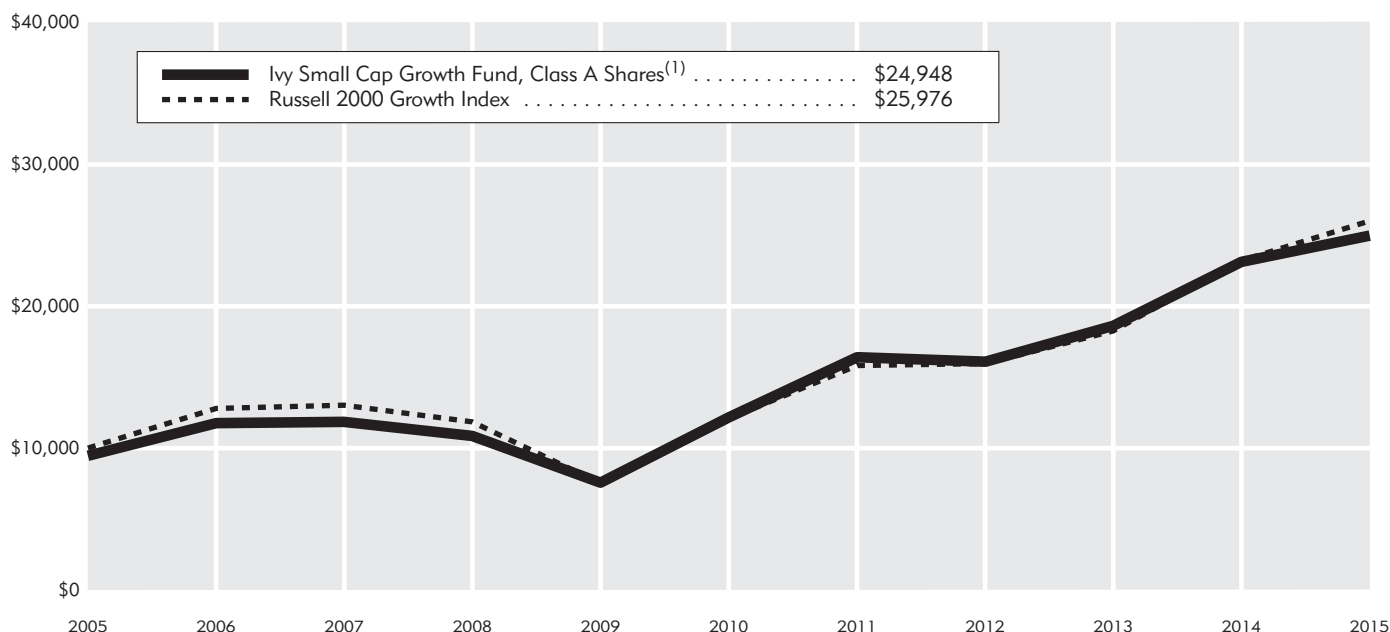
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Small Cap Growth Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	1.82%	3.11%	7.36%	1.72%	8.42%	7.74%	—	8.16%
5-year period ended 3-31-15	14.13%	14.25%	14.75%	14.05%	15.99%	15.29%	—	15.69%
10-year period ended 3-31-15	9.57%	9.33%	9.50%	—	—	—	—	10.45%
Since Inception of Class through 3-31-15 ⁽⁵⁾	—	—	—	8.78%	10.44%	9.25%	14.83%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-29-05 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Small Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Apparel Retail – 1.8%		
Zumiez, Inc. (A)	526	\$ 21,183
Apparel, Accessories & Luxury Goods – 4.1%		
Carter's, Inc.	198	18,291
Fifth & Pacific Co., Inc. (A)	511	17,049
Oxford Industries, Inc.	154	11,589
		<u>46,929</u>
Automotive Retail – 4.0%		
Asbury Automotive Group, Inc. (A)	144	11,966
Corner Store Holdings, Inc.	225	9,870
Lithia Motors, Inc.	96	9,494
Monro Muffler Brake, Inc.	234	15,235
		<u>46,565</u>
Broadcasting – 0.3%		
Townsquare Media, Inc. (A)	289	3,719
Distributors – 1.6%		
Pool Corp.	258	18,005
General Merchandise Stores – 2.0%		
Burlington Stores, Inc. (A)	388	23,031
Hotels, Resorts & Cruise Lines – 1.9%		
La Quinta Holdings, Inc. (A)	936	22,153
Leisure Facilities – 3.8%		
Intrawest Resorts Holdings, Inc. (A)	455	3,970
Vail Resorts, Inc.	381	39,382
		<u>43,352</u>
Restaurants – 5.1%		
Dave & Buster's Entertainment, Inc. (A)	478	14,574
Fiesta Restaurant Group, Inc. (A)	332	20,246
Sonic Corp.	759	24,060
		<u>58,880</u>
Specialty Stores – 0.7%		
Cabela's, Inc., Class A (A)	135	7,546
Total Consumer Discretionary – 25.3%		
		<u>291,363</u>
Consumer Staples		
Food Distributors – 1.3%		
United Natural Foods, Inc. (A)	192	14,814
Packaged Foods & Meats – 1.3%		
Lance, Inc.	459	14,669
Total Consumer Staples – 2.6%		
		<u>29,483</u>

COMMON STOCKS (Continued)	Shares	Value
Oil & Gas Equipment & Services – 0.9%		
Matrix Service Co. (A)	541	\$ 9,507
Oil & Gas Exploration & Production – 2.0%		
Diamondback Energy, Inc. (A)	157	12,041
RSP Permian, Inc. (A)	199	5,005
Viper Energy Partners L.P.	340	6,211
		<u>23,257</u>
Total Energy – 2.9%		
		<u>32,764</u>
Financials		
Asset Management & Custody Banks – 2.5%		
Financial Engines, Inc.	151	6,315
WisdomTree Investment, Inc.	1,055	22,647
		<u>28,962</u>
Consumer Finance – 2.1%		
First Cash Financial Services, Inc. (A)	166	7,720
Portfolio Recovery Associates, Inc. (A)	310	16,854
		<u>24,574</u>
Investment Banking & Brokerage – 1.4%		
Moelis & Co., Class A	535	16,104
Real Estate Services – 0.9%		
RE/MAX Holdings, Inc., Class A	316	10,481
Regional Banks – 7.2%		
Bank of the Ozarks, Inc.	698	25,781
Cathay General Bancorp	545	15,508
IBERIABANK Corp.	192	12,114
SVB Financial Group (A)	230	29,202
		<u>82,605</u>
Total Financials – 14.1%		
		<u>162,726</u>
Health Care		
Biotechnology – 3.3%		
ACADIA Pharmaceuticals, Inc. (A)	233	7,600
Cepheid (A)	532	30,262
		<u>37,862</u>
Health Care Equipment – 4.5%		
Cardiovascular Systems, Inc. (A)	217	8,452
DexCom, Inc. (A)	607	37,841
Heartware International, Inc. (A)	64	5,607
		<u>51,900</u>
Health Care Facilities – 0.9%		
Surgical Care Affiliates, Inc. (A)	285	9,780

COMMON STOCKS (Continued)	Shares	Value
Health Care Services – 2.7%		
AMN Healthcare Services, Inc. (A)	670	\$ 15,455
ExamWorks Group, Inc. (A)	381	15,871
		<u>31,326</u>
Health Care Supplies – 3.1%		
Endologix, Inc. (A)	238	4,066
LDR Holding Corp. (A)	359	13,136
Spectranetics Corp. (The) (A)	545	18,930
		<u>36,132</u>
Health Care Technology – 1.0%		
Medidata Solutions, Inc. (A)	237	11,620
Pharmaceuticals – 1.0%		
Akorn, Inc. (A)	238	11,298
Total Health Care – 16.5%		
		<u>189,918</u>
Industrials		
Air Freight & Logistics – 1.1%		
Hub Group, Inc. (A)	332	13,052
Building Products – 0.7%		
Apogee Enterprises, Inc.	171	7,404
Construction & Engineering – 0.6%		
Primoris Services Corp.	385	6,615
Construction Machinery & Heavy Trucks – 2.3%		
Wabash National Corp. (A)	1,072	15,108
Westinghouse Air Brake Technologies Corp.	121	11,519
		<u>26,627</u>
Human Resource & Employment Services – 0.9%		
Kforce, Inc.	453	10,100
Industrial Machinery – 2.9%		
CLARCOR, Inc.	292	19,283
Graham Corp.	199	4,771
Tennant Co.	150	9,794
		<u>33,848</u>
Office Services & Supplies – 2.1%		
HNI Corp.	435	23,999
Trading Companies & Distributors – 3.8%		
Rush Enterprises, Inc. (A)	615	16,832
Watsco, Inc.	218	27,377
		<u>44,209</u>
Trucking – 3.3%		
Covenant Transportation Group, Inc., Class A (A)	286	9,471
Landstar System, Inc.	229	15,169

SCHEDULE OF INVESTMENTS

Ivy Small Cap Growth Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)	Shares	Value
Trucking (Continued)		
Saia, Inc. (A)	299	\$ 13,241
		<u>37,881</u>
Total Industrials – 17.7%		203,735
Information Technology		
Application Software – 8.6%		
Descartes Systems Group, Inc. (The) (A)(B)	255	3,846
Manhattan Associates, Inc. (A)	324	16,382
Paycom Software, Inc. (A)	160	5,130
SS&C Technologies Holdings, Inc.	331	20,609
Tyler Technologies, Inc. (A)	122	14,644
Ultimate Software Group, Inc. (The) (A)	228	38,708
		<u>99,319</u>
Data Processing & Outsourced Services – 2.5%		
Jack Henry & Associates, Inc.	418	29,179
Electronic Equipment & Instruments – 0.7%		
MTS Systems Corp.	104	7,844

COMMON STOCKS

(Continued)	Shares	Value
Internet Software & Services – 3.0%		
Demandware, Inc. (A) ..	273	\$ 16,650
GrubHub, Inc. (A)	165	7,494
Textura Corp. (A)	363	9,865
		<u>34,009</u>
IT Consulting & Other Services – 0.8%		
Leidos Holdings, Inc.	183	9,382
Semiconductors – 2.6%		
Diodes, Inc. (A)	195	5,565
Microsemi Corp. (A)	355	12,553
Power Integrations, Inc.	233	12,114
		<u>30,232</u>
Total Information Technology – 18.2%		209,965
TOTAL COMMON STOCKS – 97.3%		\$1,119,954
(Cost: \$738,644)		

SHORT-TERM SECURITIES

	Principal	Value
Commercial Paper (C) – 2.1%		
Danaher Corp., 0.080%, 4–10–15 ..	\$5,578	\$ 5,578
Ecolab, Inc., 0.480%, 4–9–15 ...	5,000	4,999
Kellogg Co., 0.430%, 4–1–15 ...	5,000	5,000
0.430%, 4–9–15 ...	3,000	3,000
Wisconsin Gas LLC, 0.170%, 4–9–15 ...	5,000	5,000
		<u>23,577</u>
Master Note – 0.4%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (D) ..	5,076	5,076
TOTAL SHORT-TERM SECURITIES – 2.5%		\$ 28,653
(Cost: \$28,653)		
TOTAL INVESTMENT SECURITIES – 99.8%		\$1,148,607
(Cost: \$767,297)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.2%		2,684
NET ASSETS – 100.0%		\$1,151,291

(A)No dividends were paid during the preceding 12 months.

(B>Listed on an exchange outside the United States.

(C)Rate shown is the yield to maturity at March 31, 2015.

(D)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following total return swap agreements were outstanding at March 31, 2015:

Counterparty	Number of Shares	Underlying Security	Termination Date	Notional Amount	Financing Fee ⁽¹⁾⁽²⁾	Unrealized Depreciation
JPMorgan Chase Bank N.A.	185,791	Biotech Custom Index	09/09/2015	\$24,160	1M LIBOR less 50 bps	\$(13)

(1)The Fund pays the financing fee multiplied by the notional amount each month.

(2)At the termination date, a net cash flow is exchanged where the market-linked total return is equivalent to the return of the underlying security less a financing rate, if any. As the payer, a Fund would owe payments on any net positive total return, and would receive payments in the event of a negative total return.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$1,119,954	\$ —	\$ —
Short-Term Securities	—	28,653	—
Total	\$1,119,954	\$28,653	\$ —
Liabilities			
Total Return Swaps	\$ —	\$ 13	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

See Accompanying Notes to Financial Statements.



Kenneth G. Gau

Kenneth G. Gau, who has 20 years of industry experience, became portfolio manager of Ivy Small Cap Value Fund in August 2014. The Fund was managed by Christopher J. Parker, CFA from September 2011 through July 2014. Below, Mr. Gau discusses positioning, performance and results for the fiscal year ended March 31, 2015.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Small Cap Value Fund (Class A shares at net asset value)	5.74%
Ivy Small Cap Value Fund (Class A shares including sales charges)	-0.35%
Benchmark(s) and/or Lipper Category	
Russell 2000 Value Index (generally reflects the performance of small-cap company value style stocks)	4.48%
Lipper Small-Cap Value Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	3.76%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Key drivers, contributors and detractors

After seeing a terrific return in equities in fiscal year 2014, 2015 has been clearly more muted, but still solidly positive across the board. The Russell 2000 Value Index was up 4.48% for the fiscal year ended March 31, 2015. On a relative basis, the Fund outperformed its benchmark and peers for the period.

Two of the biggest defining events for equity markets in the fiscal year were the counter consensus moves in interest rates and oil prices. For some time now, including the most recent fiscal year, many strategists have believed that interest rates were about to positively inflect. This once again did not prove to be true, as rates drifted lower and caused a number of sectors/industries to perform much differently than expected. For example, utilities was the second best performing sector in the Russell 2000 Value Index in the fiscal year (and the best sector in calendar year 2014), which was far from consensus and consequently proved to be a drag on performance. Aside from utilities, many portfolios also faced a headwind by being underweight real estate investment trusts (REITs), which also outperformed during calendar year 2014.

In terms of the energy sector, it provided some surprises as it experienced a reversal in performance in the middle of calendar year 2014 tied to the collapse of crude oil prices [\$115 in June 2014 to the mid \$50s per barrel at fiscal year-end (Brent crude)], which caught many investors off-guard. After having been the leadership group for the first six months of calendar year 2014, energy became the worst performing sector by a far greater magnitude in the second half of the calendar year (and massively underperformed in the fiscal year ended March 31, 2015, being down just over 45%). There were several clear catalysts for this dramatic reversal, including excess supply (which was aided by excess liquidity from central banks); diminishing demand (aside from several pockets of growth like the U.S., global growth generally decelerated); and OPEC action (Saudi Arabia decided it was time to pierce the price bubble by refusing to cut supply).

In relation to these aforementioned surprises, the Fund also felt a roughly 200 basis point headwind from sector/industry allocation, all of which can be attributed to being underweight utilities and REITs, and being overweight energy. Fortunately, overall portfolio stock selection more than compensated for allocation headwinds. While there were many individual stocks that added to performance, there were two that really had outsized contribution, which were Matson, Inc. and Spansion (no longer a hold of the Fund). Collectively these stocks contributed over 265 basis points to the Fund's return as Spansion was up roughly 120% and Matson was up roughly 75% during fiscal 2015.

Outlook

Much like where the market finished in 2014, we are still of the belief that the bull market run that began in March 2009 remains in a sustained uptrend, as we believe we are continuing to see the fruits of an economic recovery.

We also believe that there are a number of positive tailwinds for the consumer in 2015, ranging from improving employment (both job creation and rising wages), a recovery in housing, a benefit from falling energy prices, and continued benefits from an extended period of Federal Reserve (Fed) accommodation.

Interestingly, we think it is likely that it will be this economic strength that could ultimately lead to greater market volatility as investors and the Fed grapple with the need for tightened monetary policy.

What we believe will further complicate this debate are the global implications of a strengthening dollar, diverging global monetary policies and increased geopolitical risks. No one is suggesting that this transition will be easy, but with volatility, we find that opportunity often arises for those who are resourceful and disciplined.

We will continue to work diligently for what we hope will be another prosperous year for the Fund.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is no guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Investing in small-cap stocks may carry more risk than investing in stocks of larger, more established companies. Value stocks are stocks of companies that may have experienced adverse business or industry developments, or may be subject to special risks that have caused the stocks to be out of favor and, in the opinion of the Fund's manager, undervalued. The value of a security believed by the Fund's manager to be undervalued may never reach what the manager believes to be its full value, or such security's value may decrease. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Small Cap Value Fund.

PORTFOLIO HIGHLIGHTS

Ivy Small Cap Value Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	97.2%
Financials	30.4%
Consumer Discretionary	16.9%
Industrials	16.2%
Materials	12.5%
Health Care	5.8%
Consumer Staples	5.5%
Energy	4.0%
Information Technology	3.6%
Utilities	2.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents +	2.8%

Lipper Rankings

Category: Lipper Small-Cap Value Funds	Rank	Percentile
1 Year	131/308	43
3 Year	108/261	42
5 Year	180/219	82
10 Year	94/153	62

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Scotts Miracle-Gro Co. (The)	Materials	Fertilizers & Agricultural Chemicals
Carmike Cinemas, Inc.	Consumer Discretionary	Movies & Entertainment
Krispy Kreme Doughnuts, Inc.	Consumer Discretionary	Restaurants
Matson, Inc.	Industrials	Marine
Webster Financial Corp.	Financials	Regional Banks
Western Alliance Bancorporation	Financials	Regional Banks
First Horizon National Corp.	Financials	Regional Banks
Smart Balance, Inc.	Consumer Staples	Packaged Foods & Meats
SVB Financial Group	Financials	Regional Banks
Cytec Industries, Inc.	Materials	Specialty Chemicals

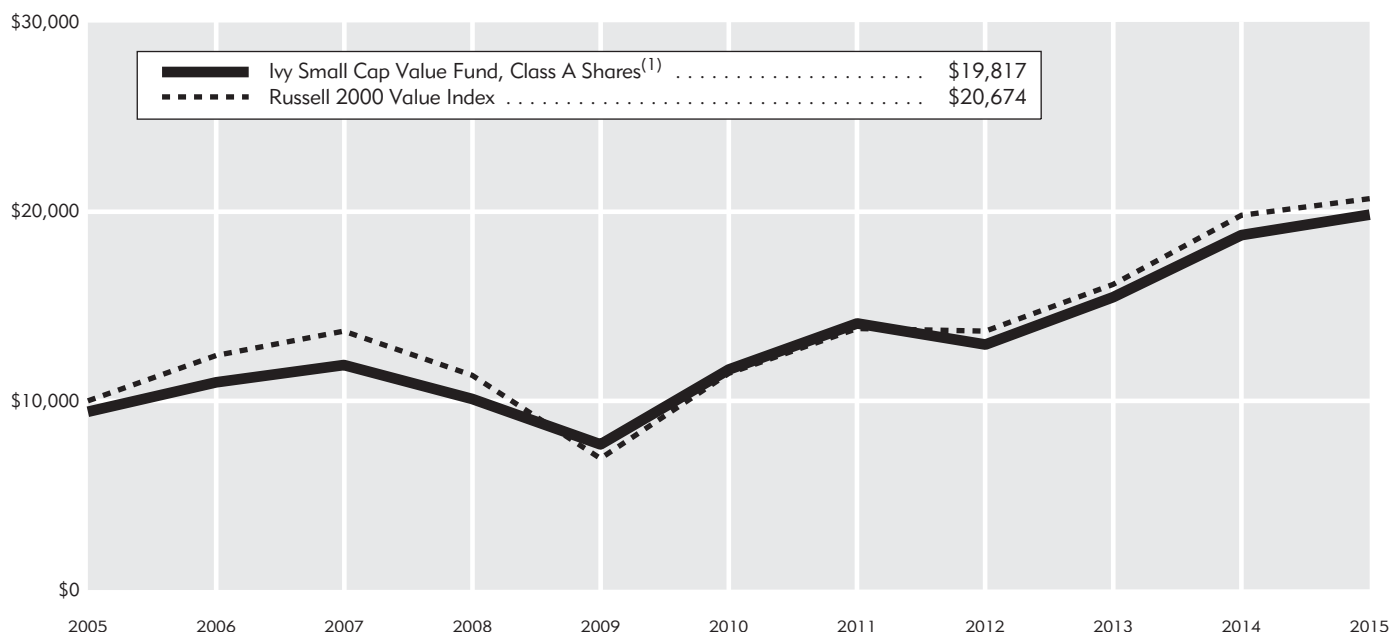
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Small Cap Value Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-0.35%	0.95%	5.02%	0.00%	6.20%	5.57%	—	5.93%
5-year period ended 3-31-15	9.90%	9.86%	10.40%	10.32%	11.77%	—	—	11.46%
10-year period ended 3-31-15	7.08%	6.76%	6.91%	—	—	—	—	8.07%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	6.29%	7.27%	17.46%	8.17%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Small Cap Value Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary			Investment Banking & Brokerage – 1.1%			Health Care Supplies – 2.0%		
Automotive Retail – 1.2%			Greenhill & Co., Inc.	85	\$ 3,350	Kimberly-Clark Corp. (A)	124	\$ 6,106
Monro Muffler Brake, Inc.	56	\$ 3,617						
Catalog Retail – 1.8%			Life & Health Insurance – 1.6%			Total Health Care – 5.8%		17,612
HSN, Inc.	83	5,629	American Equity Investment			Industrials		
			Life Holding Co.	172	5,019	Building Products – 4.4%		
Consumer Electronics – 1.9%						American Woodmark		
Harman International			Office REITs – 1.7%			Corp. (A)	55	3,010
Industries, Inc.	42	5,653	Corporate Office Properties			Continental Building Products,		
			Trust	124	3,635	Inc. (A)	172	3,891
Internet Retail – 2.9%			Highwoods Properties, Inc. ..	37	1,689	Masonite International		
FTD Co., Inc. (A)	159	4,752			5,324	Corp. (A)	95	6,363
NutriSystem, Inc.	208	4,160	Property & Casualty Insurance – 1.7%					13,264
		8,912	Argo Group International			Commercial Printing – 1.1%		
Movies & Entertainment – 5.4%			Holdings Ltd.	102	5,092	Deluxe Corp.	47	3,222
Carmike Cinemas, Inc. (A) ...	379	12,737	Real Estate Operating Companies – 0.8%			Diversified Support Services – 1.4%		
DreamWorks Animation SKG,			Forest City Enterprises, Inc.,			G&K Services, Inc. (A)	61	4,403
Inc., Class A (A)	153	3,705	Class A (A)	93	2,366	Industrial Machinery – 2.4%		
		16,442	Regional Banks – 14.1%			CLARCOR, Inc.	36	2,378
Restaurants – 3.7%			First Horizon National			Timken Co. (The)	120	5,074
Krispy Kreme Doughnuts,			Corp.	529	7,564			7,452
Inc. (A)	564	11,264	PrivateBancorp, Inc.	152	5,339	Marine – 3.6%		
			SVB Financial Group (A)	56	7,114	Matson, Inc.	262	11,029
Total Consumer			Synovus Financial Corp.	195	5,462	Office Services & Supplies – 1.5%		
Discretionary – 16.9%		51,517	Talmer Bancorp, Inc.,			Avery Dennison Corp.	87	4,592
Consumer Staples			Class A (A)	66	1,003	Trucking – 1.8%		
Food Retail – 0.8%			Webster Financial Corp.	237	8,770	Marten Transport Ltd.	91	2,111
Casey's General Stores, Inc. ..	26	2,343	Western Alliance			Werner Enterprises, Inc.	109	3,430
			Bancorporation (A)	260	7,703			5,541
Packaged Foods & Meats – 4.7%					42,955	Total Industrials – 16.2%		49,503
B&G Foods, Inc.	124	3,635	Reinsurance – 3.5%			Information Technology		
Diamond Foods, Inc. (A)	97	3,159	Endurance Specialty Holdings			Electronic Manufacturing Services – 0.9%		
Smart Balance, Inc. (A)	791	7,534	Ltd.	76	4,659	Plexus Corp. (A)	70	2,838
		14,328	Reinsurance Group of			Semiconductor Equipment – 1.1%		
Total Consumer Staples – 5.5%		16,671	America, Inc.	66	6,141	Teradyne, Inc.	179	3,370
Energy					10,800	Semiconductors – 0.8%		
Oil & Gas Equipment & Services – 0.6%			Retail REITs – 1.4%			Fairchild Semiconductor		
Superior Energy Services,			Kite Realty Group Trust	150	4,225	International, Inc. (A)	138	2,511
Inc.	81	1,807	Specialized REITs – 2.1%			Technology Distributors – 0.8%		
Oil & Gas Refining & Marketing – 1.0%			LaSalle Hotel Properties	57	2,211	Insight Enterprises, Inc. (A) ..	81	2,310
Delek U.S. Holdings, Inc.	82	3,271	RLJ Lodging Trust	57	1,794	Total Information		
Oil & Gas Storage & Transportation – 2.4%			Strategic Hotels & Resorts,			Technology – 3.6%		11,029
Sunoco, Inc.	89	4,586	Inc. (A)	184	2,290	Materials		
Targa Resources Partners					6,295	Aluminum – 1.3%		
L.P.	64	2,667	Total Financials – 30.4%		92,820	Kaiser Aluminum Corp.	52	3,967
		7,253	Health Care			Commodity Chemicals – 1.3%		
Total Energy – 4.0%		12,331	Health Care Equipment – 0.9%			Axiall Corp.	83	3,887
Financials			STERIS Corp.	38	2,635			
Consumer Finance – 2.4%			Health Care Facilities – 2.9%					
JG Wentworth Co. (A)	127	1,321	HealthSouth Corp.	96	4,258			
Portfolio Recovery Associates,			LifePoint Hospitals,					
Inc. (A)	112	6,073	Inc. (A)	63	4,613			
		7,394			8,871			

SCHEDULE OF INVESTMENTS

Ivy Small Cap Value Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS

(Continued)

	Shares	Value
Fertilizers & Agricultural Chemicals – 4.7%		
Scotts Miracle-Gro Co. (The)	211	\$14,166
Forest Products – 1.1%		
Boise Cascade Co. (A) ...	92	3,450
Paper Products – 1.9%		
Schweitzer-Mauduit International, Inc.	125	5,756
Specialty Chemicals – 2.2%		
Cytec Industries, Inc.	125	6,739
Total Materials – 12.5%		37,965
Utilities		
Electric Utilities – 1.3%		
Great Plains Energy, Inc.	91	2,439
Portland General Electric Co.	41	1,528
		<u>3,967</u>

COMMON STOCKS

(Continued)

	Shares	Value
Gas Utilities – 1.0%		
Southwest Gas Corp.	53	\$ 3,109
Total Utilities – 2.3%		7,076
TOTAL COMMON STOCKS – 97.2%		\$296,524
(Cost: \$248,501)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper (B) – 1.9%		
Kroger Co. (The), 0.280%, 4–1–15	\$2,798	2,798
PacifiCorp, 0.550%, 4–2–15	3,000	3,000
		<u>5,798</u>
Master Note – 0.9%		
Toyota Motor Credit Corp., 0.130%, 4–1–15 (C) ..	2,709	2,709

SHORT-TERM SECURITIES

(Continued)

	Principal	Value
Municipal Obligations – 0.1%		
MI Strategic Fund, Var Rate Demand Ltd. Oblig Rev Bonds (Air Products and Chemicals, Inc. Proj), Ser 2007 (GTD by Bank of New York (The)), 0.040%, 4–1–15 (C) ..	\$293	\$ 293
TOTAL SHORT-TERM SECURITIES – 2.9%		\$ 8,800
(Cost: \$8,800)		
TOTAL INVESTMENT SECURITIES – 100.1%		\$305,324
(Cost: \$257,301)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.1)%		(308)
NET ASSETS – 100.0%		\$305,016

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)Rate shown is the yield to maturity at March 31, 2015.

(C)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$ 296,524	\$ —	\$ —
Short-Term Securities	—	8,800	—
Total	\$ 296,524	\$8,800	\$ —

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

MANAGEMENT DISCUSSION

Ivy Tax-Managed Equity Fund

(UNAUDITED)



Bradley M. Klappmeyer

Bradley M. Klappmeyer, CFA, who has 15 years of industry experience, became portfolio manager of Ivy Tax-Managed Equity Fund in August 2014. The Fund was managed by Sarah C. Ross, CFA from May 2009 through July 2014. Below, Mr. Klappmeyer discusses positioning, performance and results for the fiscal year ended March 31, 2015.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Tax-Managed Equity Fund (Class A shares at net asset value)	17.00%
Ivy Tax-Managed Equity Fund (Class A shares including sales charges)	10.26%
Benchmark(s) and/or Lipper Category	
Russell 1000 Growth Index (generally reflects the performance of securities that represent the large-cap growth market)	16.09%
Lipper Large-Cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	14.54%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Key Drivers

The equity market recorded yet another double-digit gain for the year ended March 31, 2015. The market was driven by continued easy monetary policy out of the Federal Reserve (Fed) and strong gains in domestic growth aided by concerns regarding global growth with sluggishness in Europe, Japan and China. These dynamics positioned the U.S. as a bastion of hope (and growth) within an uncertain global macro environment. It also resulted in U.S. investors focusing mainly on the positive indicators at work in the U.S., such as employment gains, strong manufacturing returns, and low interest rates.

Another notable event occurred later in the fiscal year. The slide in oil prices rattled investor confidence in the industrial economy as energy capital spending declined. This dynamic led to a notable rerating lower in the energy-related securities, but had yet to show up materially in economic data points. An offset to energy concerns was a growing sense of optimism relating to the U.S. consumer, who should not only benefit from lower energy prices, but hopefully should see benefits from a tightening labor picture as well.

Looking at the Russell 1000 Growth benchmark, which also posted a double-digit return, performance shows that price momentum and relative strength were key variables in driving performance during the fiscal year. This implied that the market kept “betting on the winners.” A continued focus on dividend yield was also a factor in determining equity outperformance, as within the benchmark higher-yielding stocks performed better. Valuation factors or a bet on the less expensive stocks was a losing strategy, as factors like price-to-cash-flow and enterprise value/EBITDA did not create value.

Contributors and detractors

The Fund outperformed its benchmark for the 12-month period ended March 31, 2015. The Fund’s philosophy has remained consistent regardless of the economic backdrop, which is a process that we believe identifies structurally advantaged companies that can generate superior levels of profitability and growth over time. In many cases, short-term dislocations and volatility provided by macro uncertainty can offer a favorable entry point for structurally advantaged businesses. The process tends to appreciate the near-term nuances, but tends to stress the importance of getting the maturity value correct and taking advantages of periodic dislocations.

In terms of performance attribution, the Fund benefited from the health care sector, both in terms of an overweight position and favorable stock selection. Security selection in technology, an underweight in energy and materials and stock selection in telecommunications were other factors driving favorable relative performance during the period.

Health care was by far the biggest favorable contributor to the Fund’s relative performance during the period. Health care performance was positive across subsectors, with strength in specialty pharmaceuticals, hospitals and biotechnology. Biotechnology names like Biogen Idec and Gilead Sciences contributed to performance, as new product launches continued to drive upward revenue and earnings revisions. Hospital stocks, such as the Fund’s position in HCA Holdings and Universal Health Services, benefited from strong enrollment in the Affordable Care Act and an improved macro backdrop.

Other notable performers included consumer discretionary names Limited Brands and JD.com. Limited Brands shares moved higher as investors began to appreciate the international potential of the Victoria’s Secret brand. JD.com has a foothold in the early days of e-commerce within China and should benefit from the Chinese consumers’ desire to shop online and skip the brick-and-mortar experience.

Despite the consumer discretionary stock-specific performances as described above, overall security selection in the sector was a notable detractor from performance during the Fund’s fiscal year. Chinese government pressure on corruption and a tightening of credit put a halt to gaming revenue growth in Macau, driving shares of Las Vegas Sands and Wynn Resorts lower. The industrials sector was another detractor of performance, as the reduction in oil prices began to call into question near-term fundamentals across the U.S. industrial economy. Names such as Pentair and Flowserve

(no longer Fund holdings) began to price in the estimate revisions that were likely to take place due to lower energy capital spending going forward. Cash held was also a detractor of relative performance given the sizeable gains in the Fund's benchmark.

Outlook

Although we believe the tone should generally remain positive regarding sustainable growth from the U.S. economy, likely in the 2.5 to 3% range, the debates are likely to turn elsewhere during the coming fiscal year. There are some key debates that are worth appreciating, which we think will help to determine equity market performance on a "go-forward" basis. These debates center on global growth and the timing of the Fed's move to a "less accommodative" fiscal policy.

As previously discussed, global macro indicators weakened throughout the period and, in response, central banks around the world have eased monetary policy — creating liquidity and devaluing their currencies — in an attempt to fuel some economic growth, similar to what has occurred in the U.S. Another output has been a strong U.S. dollar, which we think is putting the U.S. in a position of strength at the moment. If the global liquidity policy ultimately turns out to be a "pushing on a string" exercise then it is possible that growth in the U.S. is not immune to sluggish global growth. The U.S. may be a temporary bastion of growth, but without a better global backdrop, it becomes more difficult to see the equity markets sustain their current high valuations.

A second emerging risk to the market comes with a change in Fed interest rate policy and how that could impact liquidity. This liquidity has supported asset prices and the current modest growth in the U.S. economy. Since quantitative easing has meant cheap money and massive liquidity, in our opinion, it is only intellectually honest to think that market valuations may change course upon Fed action to raise rates. We think an implied tightening of liquidity, even if only minor, may put market valuations at risk. As we enter a year in which these two debates — global growth and U.S. liquidity — will likely take center stage, we believe the domestic market likely tilts toward a more balanced risk-reward situation.

The Fund's positioning for the coming year will focus intently on near-term valuations and also on long-term maturity value. We think near-term valuations can offer some protection in the interim as long as the market position of a company is well defended, growth is sustained and maturity value is realizable. The Fund will stay the course and continue to seek out companies that we think have strong business models that also have a maturity value materially higher than current levels. Within this approach, the Fund will attempt to minimize taxable gains and income to shareholders. Thank you for your continued confidence and support.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment. Tax-management strategies may alter investment decisions and affect portfolio holdings, when compared to those of non-tax-managed mutual funds. Market conditions may limit the Fund's ability to generate tax losses or to generate dividend income taxed at favorable Federal income tax rates. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Tax-Managed Equity Fund.

PORTFOLIO HIGHLIGHTS

Ivy Tax-Managed Equity Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	94.1%
Information Technology	24.8%
Health Care	23.7%
Consumer Discretionary	21.2%
Industrials	11.7%
Consumer Staples	7.6%
Energy	2.8%
Telecommunication Services	2.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	5.9%

Lipper Rankings

Category: Lipper Large-Cap Growth Funds	Rank	Percentile
1 Year	164/702	24
3 Year	247/623	40
5 Year	332/545	61

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
Apple, Inc.	Information Technology	Technology Hardware, Storage & Peripherals
Actavis plc	Health Care	Pharmaceuticals
Limited Brands, Inc.	Consumer Discretionary	Apparel Retail
Amazon.com, Inc.	Consumer Discretionary	Internet Retail
Visa, Inc., Class A	Information Technology	Data Processing & Outsourced Services
salesforce.com, Inc.	Information Technology	Application Software
Shire Pharmaceuticals Group plc ADR	Health Care	Pharmaceuticals
Verisk Analytics, Inc., Class A	Industrials	Research & Consulting Services
MasterCard, Inc., Class A	Information Technology	Data Processing & Outsourced Services
Adobe Systems, Inc.	Information Technology	Application Software

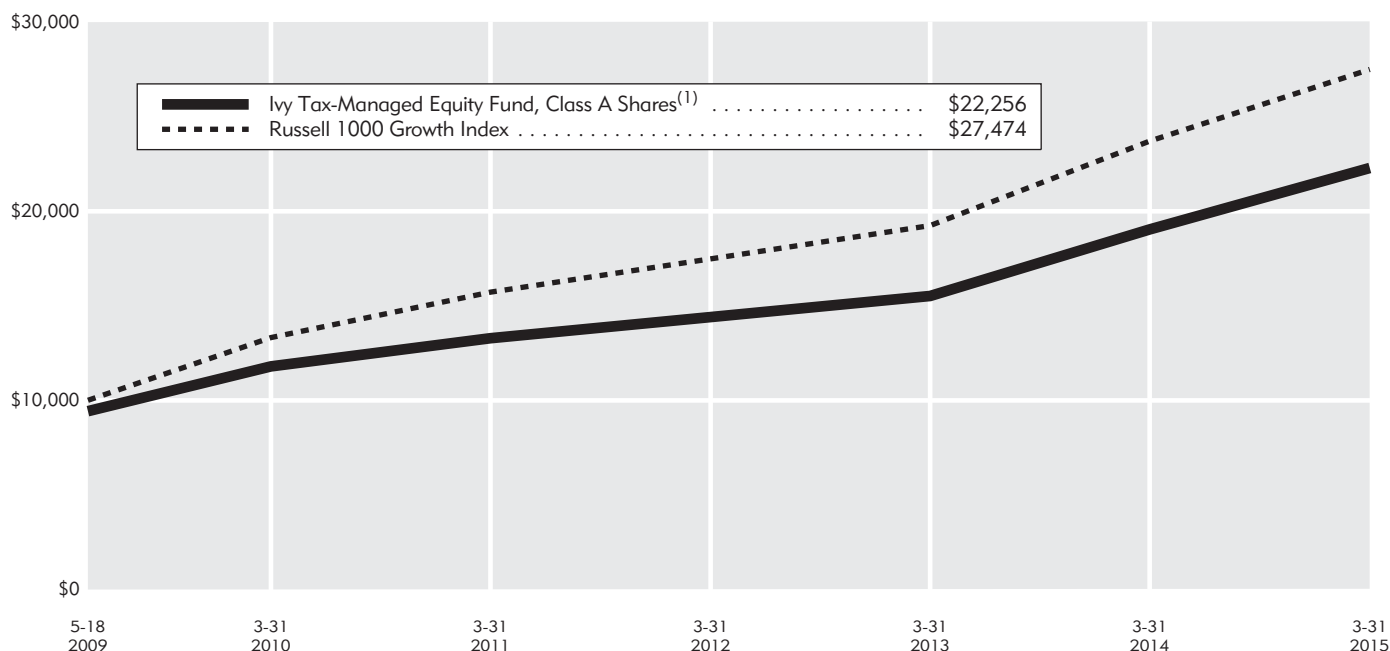
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Tax-Managed Equity Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class I ⁽⁵⁾	Class Y ⁽⁶⁾
1-year period ended 3-31-15	10.26%	12.25%	16.21%	17.33%	17.04%
5-year period ended 3-31-15	12.22%	12.76%	12.83%	13.78%	13.62%
10-year period ended 3-31-15	—	—	—	9.31%	—
Since Inception of Class through 3-31-15 ⁽⁷⁾	14.61%	14.99%	15.02%	—	15.82%

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) The Class Y shares of Waddell & Reed Advisors Tax-Managed Equity Fund were reorganized as the Class I shares of Ivy Tax-Managed Equity Fund on May 18, 2009. The performance shown for periods prior to this date is that of the Class Y shares of Waddell & Reed Advisors Tax-Managed Equity Fund. Performance has not been restated to reflect the estimated annual operating expenses of the Ivy Tax-Managed Equity Fund. If those expenses were reflected, performance shown would differ.

(6) The return shown for Class Y is hypothetical because there were no shares or assets for the period from July 28, 2009 through October 7, 2009. Class A data has been substituted for Class Y data during that period.

(7) 5-18-09 for Class A shares, 5-18-09 for Class B shares, 5-18-09 for Class C shares and 5-18-09 for Class Y shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

BEFORE – AND AFTER – TAX RETURNS

Ivy Tax-Managed Equity Fund

(UNAUDITED)

Before- and After-Tax Returns ⁽¹⁾	1-year period ended 3-31-15	5-year period ended 3-31-15	10-year period ended 3-31-15	Since inception of Class through 3-31-15 ⁽²⁾
Class A⁽³⁾				
Before Taxes	10.26%	12.22%	—	14.61%
After Taxes on Distributions	9.74%	11.95%	—	14.37%
After Taxes on Distributions and Sale of Fund Shares	6.20% ⁽⁴⁾	9.75%	—	11.87%
Class B⁽⁵⁾				
Before Taxes	12.25%	12.76%	—	14.99%
After Taxes on Distributions	11.68%	12.51%	—	14.77%
After Taxes on Distributions and Sale of Fund Shares	7.36% ⁽⁴⁾	10.20%	—	12.20%
Class C				
Before Taxes	16.21%	12.83%	—	15.02%
After Taxes on Distributions	15.65%	12.57%	—	14.80%
After Taxes on Distributions and Sale of Fund Shares	9.60% ⁽⁴⁾	10.25%	—	12.23%
Class I⁽⁶⁾				
Before Taxes	17.33%	13.78%	9.31%	—
After Taxes on Distributions	16.78%	13.48%	9.17%	—
After Taxes on Distributions and Sale of Fund Shares	10.22% ⁽⁴⁾	11.04%	7.66%	—
Class Y⁽⁷⁾				
Before Taxes	17.04%	13.62%	—	15.82%
After Taxes on Distributions	16.49%	13.34%	—	15.58%
After Taxes on Distributions and Sale of Fund Shares	10.06% ⁽⁴⁾	10.91%	—	12.91%
Russell 1000 Growth Index	16.09%	15.63%	9.36%	18.79%

(1) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I and Class Y shares are not subject to sales charges.

(2) 5-18-09 for Class A shares, 5-18-09 for Class B shares, 5-18-09 for Class C shares and 5-18-09 for Class Y shares (the date on which shares were first acquired by shareholders).

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) After-tax returns may be better than before-tax returns due to an assumed tax benefit from losses on a sale of the Fund's shares at the end of the period.

(5) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(6) The Class Y shares of Waddell & Reed Advisors Tax-Managed Equity Fund were reorganized as the Class I shares of Ivy Tax-Managed Equity Fund on May 18, 2009. The performance shown for periods prior to this date is that of the Class Y shares of Waddell & Reed Advisors Tax-Managed Equity Fund. Performance has not been restated to reflect the estimated annual operating expenses of the Ivy Tax-Managed Equity Fund. If those expenses were reflected, performance shown would differ.

(7) The return shown for Class Y is hypothetical because there were no shares or assets for the period from July 28, 2009 through October 7, 2009. Class A data has been substituted for Class Y data during that period.

The table above shows average annual returns on a before-tax and after-tax basis. Returns Before Taxes shows the actual change in the value of the Fund shares over the periods shown, but does not reflect the impact of taxes on Fund distributions or the sale of Fund shares. The two after-tax returns take into account taxes that may be associated with owning Fund shares. Returns After Taxes on Distributions is the Fund's actual performance, adjusted by the effect of taxes on distributions made by the Fund during the period shown. Returns After Taxes on Distributions and Sale of Fund Shares is further adjusted to reflect the tax impact on any change in the value of Fund shares as if they had been sold on the last day of the period.

After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts, or to shares held by non-taxable entities.

SCHEDULE OF INVESTMENTS

Ivy Tax-Managed Equity Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS			Shares	Value	COMMON STOCKS			Shares	Value	COMMON STOCKS			Shares	Value
					(Continued)					(Continued)				
Consumer Discretionary					Energy					Information Technology				
Apparel Retail – 3.6%					Oil & Gas Equipment & Services – 2.8%					Application Software – 5.4%				
Limited Brands, Inc.	30	\$ 2,838			Halliburton Co.	28	\$ 1,237			Adobe Systems, Inc. (A) ...	28	\$ 2,092		
					Schlumberger Ltd.	12	968			salesforce.com, Inc. (A)	33	2,185		
							2,205					4,277		
Broadcasting – 0.5%					Total Energy – 2.8%				2,205	Communications Equipment – 0.6%				
CBS Corp., Class B	7	404			Health Care					F5 Networks, Inc. (A)			4	449
					Biotechnology – 9.3%					Data Processing & Outsourced Services – 7.3%				
Cable & Satellite – 3.5%					ACADIA Pharmaceuticals,					FleetCor Technologies,				
Comcast Corp., Class A	26	1,440			Inc. (A)	19	616			Inc. (A)	9	1,419		
Time Warner Cable, Inc.	9	1,379			Alexion Pharmaceuticals,					MasterCard, Inc., Class A ...	25	2,116		
		2,819			Inc. (A)	7	1,144			Visa, Inc., Class A	35	2,271		
Casinos & Gaming – 1.1%					Biogen, Inc. (A)	5	1,900					5,806		
Las Vegas Sands, Inc.	10	554			Gilead Sciences, Inc. (A) ...	18	1,794			Internet Software & Services – 5.5%				
Wynn Resorts Ltd.	3	348			Incyte Corp. (A)	11	1,036			Facebook, Inc., Class A (A) ..			22	1,781
		902			Vertex Pharmaceuticals,					Google, Inc., Class A (A) ...			3	1,387
Footwear – 2.0%					Inc. (A)	8	908			Google, Inc., Class C (A) ...			2	1,205
NIKE, Inc., Class B	16	1,571					7,398					4,373		
					Health Care Facilities – 2.9%					Semiconductor Equipment – 1.7%				
Hotels, Resorts & Cruise Lines – 2.2%					HCA Holdings, Inc. (A)			14	1,046	Applied Materials, Inc.			58	1,297
Hilton Worldwide Holdings,					Universal Health Services,			10	1,224	Technology Hardware, Storage &				
Inc. (A)	37	1,096			Inc., Class B				2,270	Peripherals – 4.3%				
Starwood Hotels & Resorts										Apple, Inc.			28	3,426
Worldwide, Inc.	8	644			Pharmaceuticals – 11.5%					Total Information				
		1,740			Actavis plc (A)			11	3,141	Technology – 24.8%				19,628
Internet Retail – 6.8%					Bristol-Myers Squibb Co.	29	1,845			Telecommunication Services				
Amazon.com, Inc. (A)	7	2,642			Shire Pharmaceuticals Group			9	2,177	Wireless Telecommunication Service – 2.3%				
JD.com, Inc. ADR (A)	29	856			plc ADR					SBA Communications				
priceline.com, Inc. (A)	2	1,863			Teva Pharmaceutical			31	1,944	Corp. (A)			15	1,793
		5,361			Industries Ltd. ADR				9,107	Total Telecommunication				
Movies & Entertainment – 1.5%					Total Health Care – 23.7%				18,775	Services – 2.3%				1,793
Twenty-First Century Fox, Inc.,					Industrials					TOTAL COMMON				
Class A	35	1,178			Aerospace & Defense – 3.1%					STOCKS – 94.1%				\$74,539
					Boeing Co. (The)			13	1,912	(Cost: \$56,408)				
Total Consumer					Precision Castparts Corp.	3	561			SHORT-TERM				
Discretionary – 21.2%				16,813			2,473			SECURITIES				
Consumer Staples					Industrial Machinery – 0.9%					Principal				
Brewers – 1.2%					Pall Corp.			7	729	Master Note – 5.6%				
Anheuser-Busch InBev S.A.					Railroads – 2.8%					Toyota Motor Credit Corp.,				
ADR	8	953			Kansas City Southern			7	685	0.130%, 4–1–15 (B)			\$4,404	4,404
Food Retail – 1.6%					Union Pacific Corp.			14	1,499	TOTAL SHORT-TERM				
Casey's General Stores, Inc. ..	14	1,243			Research & Consulting Services – 2.7%					SECURITIES – 5.6%				\$ 4,404
					Verisk Analytics, Inc.,					(Cost: \$4,404)				
Hypermarkets & Super Centers – 1.5%					Class A (A)	30	2,163			TOTAL INVESTMENT				
Costco Wholesale Corp.	8	1,191			Trucking – 2.2%					SECURITIES – 99.7%				\$78,943
					J.B. Hunt Transport					(Cost: \$60,812)				
Packaged Foods & Meats – 1.2%					Services, Inc.	20	1,716			CASH AND OTHER ASSETS, NET				
Mead Johnson Nutrition Co. ..	9	939								OF LIABILITIES – 0.3%				271
					Total Industrials – 11.7%				9,265	NET ASSETS – 100.0%				\$79,214
Personal Products – 1.5%														
Estee Lauder Co., Inc. (The),														
Class A	15	1,223												
Tobacco – 0.6%														
Philip Morris International,														
Inc.	7	511												
Total Consumer Staples – 7.6%				6,060										

SCHEDULE OF INVESTMENTS

Ivy Tax-Managed Equity Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A) No dividends were paid during the preceding 12 months.

(B) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2015. Date shown represents the date that the variable rate resets.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$ 74,539	\$ —	\$ —
Short-Term Securities	—	4,404	—
Total	<u>\$ 74,539</u>	<u>\$ 4,404</u>	<u>\$ —</u>

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronym is used throughout this schedule:

ADR = American Depositary Receipts

See Accompanying Notes to Financial Statements.



Matthew T. Norris

Below, Matthew T. Norris, CFA, portfolio manager of Ivy Value Fund, discusses positioning, performance and results for the fiscal year ended March 31, 2015. He has managed the Fund since inception and has 23 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended March 31, 2015

Ivy Value Fund (Class A shares at net asset value)	5.71%
Ivy Value Fund (Class A shares including sales charges)	-0.35%
Benchmark(s) and/or Lipper Category	
Russell 1000 Value Index (generally reflects the performance of large-cap company value style stocks)	9.33%
Lipper Large-Cap Value Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	8.07%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. The performance discussion below is at net asset value.

Key drivers

In the seven years following the 2008 recession, the U.S. economy has settled into solid, unspectacular performance. Corporate earnings are strong with many companies at historically high margins, and equities have roughly tripled from their low in March 2009. The Federal Reserve (Fed) has employed many forms of loose monetary policy to stimulate this recovery. However, they have indicated a move away from low interest rates by raising the federal funds rate, most likely beginning later in 2015. We anticipate the market continuing to be led by growth stocks until short-term interest rates begin to rise and the yield curve flattens. If this occurs, then typically our value style comes back into vogue.

While the equity markets enjoyed a nice upward rally during the fiscal year, the rally masked notable volatility. Growth outperformed value by nearly 7% and the energy sector returned double-digit negative performance. Health care, consumer discretionary, consumer staples, financials, technology and utilities all turned in positive double-digit performance for the benchmark.

Contributors and detractors

The Fund underperformed its benchmark for the 12-month period ended March 31, 2015, primarily due to holdings within the technology sector. A majority of underperformance came from SanDisk Corp., a technology holding, that fell sharply due to what we believe are management errors around producing the correct product for the holiday season. However, the demand for flash memory continues to grow and SanDisk is a leader in this space. We continue to believe this company has the potential to be a long-term winner. Energy, financials and materials stocks were also laggards for the Fund, although the underperformance was not concentrated in a single holding.

Health care was the Fund's best performing sector, with large holdings in health maintenance organization stocks doing well. Consumer discretionary, consumer staples, industrials and utilities also returned positive performance for the Fund.

Outlook

We remain constructive on the equity markets, especially with individual names we currently find compelling. The Fed tightening cycle is not to be taken lightly, and must be watched and anticipated carefully. Higher interest rates are historically not supportive of higher equity prices. While total equity returns seem unlikely to approach double digit levels this year, we believe there are still money making prospects around. On a macro level, we would like to see a supportive backdrop with continued gross domestic product growth and lower unemployment. One potential risk is the volatility in oil prices, which makes it difficult for companies to budget long term. The good side of lower oil should be consumer spending, as gasoline is much cheaper today than a year ago.

As we pursue the long-term investor approach, we generally see periods of volatility as opportunities and not threats. The Fund will continue to purchase what we think are high-quality companies whose stock price is below what we consider fair value and be sellers of those same names when they reach what we believe are appropriate valuation levels. We believe a bottom-up, company-by-company analysis can produce solid returns over the long haul.

Performance shown at NAV does not include the effects of sales charges. If reflected, the performance shown would have been lower. Performance including sales charges reflects the maximum applicable front-end sales load.

Past performance is no guarantee of future results. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment.

Value stocks are stocks of companies that may have experienced adverse business or industry developments, or may be subject to special risks that have caused the stocks to be out of favor and, in the opinion of the Fund's manager, undervalued. The value of a security believed by the Fund's manager to be undervalued may never reach what the manager believes to be its full value, or such security's value may decrease. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Fund's portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Value Fund.

PORTFOLIO HIGHLIGHTS

Ivy Value Fund

ALL DATA IS AS OF MARCH 31, 2015 (UNAUDITED)

Asset Allocation

Stocks	98.1%
Financials	28.2%
Consumer Discretionary	21.2%
Health Care	15.0%
Information Technology	12.1%
Consumer Staples	9.2%
Energy	8.0%
Materials	2.5%
Utilities	1.9%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

Lipper Rankings

Category: Lipper Large-Cap Value Funds	Rank	Percentile
1 Year	460/516	89
3 Year	274/454	61
5 Year	246/395	63
10 Year	131/288	46

Past performance is no guarantee of future results. Rankings are for Class A shares and are based on average annual total returns, but do not consider sales charges. Rankings for other share classes may vary.

Top 10 Equity Holdings

Company	Sector	Industry
American International Group, Inc.	Financials	Multi-Line Insurance
Time Warner Cable, Inc.	Consumer Discretionary	Cable & Satellite
Citigroup, Inc.	Financials	Other Diversified Financial Services
Capital One Financial Corp.	Financials	Consumer Finance
Teva Pharmaceutical Industries Ltd. ADR	Health Care	Pharmaceuticals
Western Digital Corp.	Information Technology	Technology Hardware, Storage & Peripherals
MetLife, Inc.	Financials	Life & Health Insurance
Philip Morris International, Inc.	Consumer Staples	Tobacco
Magna International, Inc.	Consumer Discretionary	Auto Parts & Equipment
Reinsurance Group of America, Inc.	Financials	Reinsurance

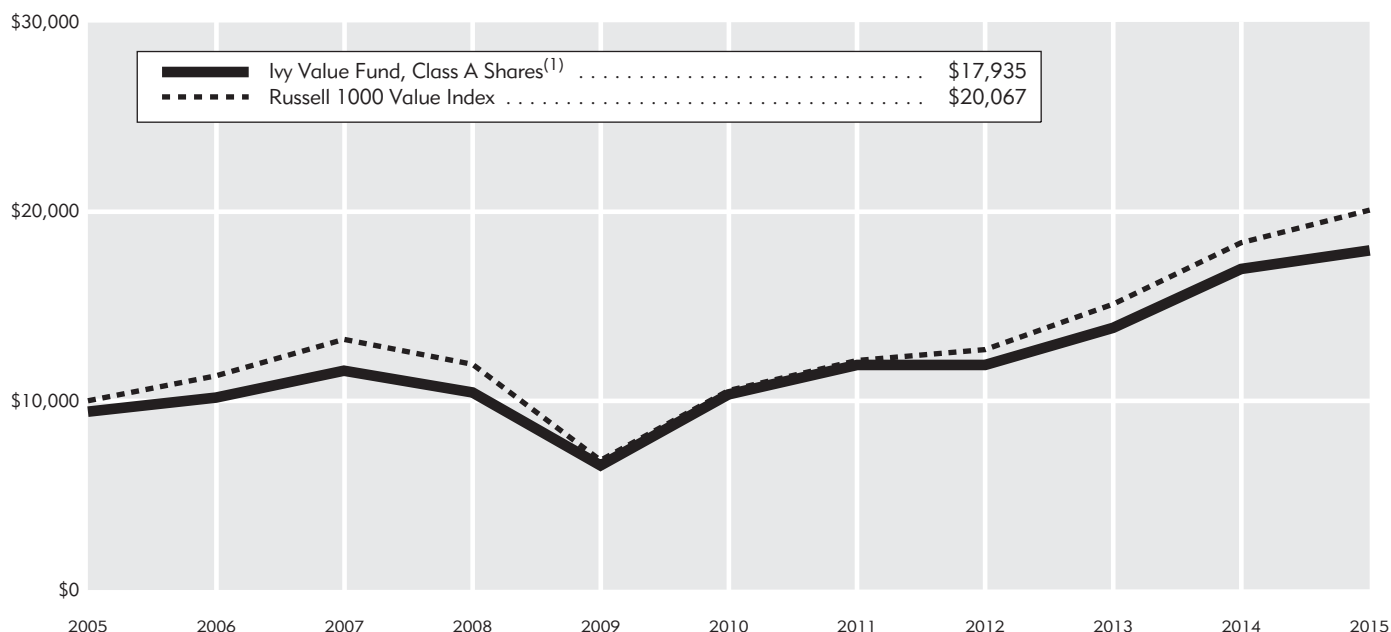
See your advisor or www.ivyfund.com for more information on the Fund's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT

Ivy Value Fund

(UNAUDITED)



Please note that the performance of the Fund's other share classes will be greater or less than the performance shown above for Class A based on the differences in loads and fees paid by shareholders investing in the different classes.

(1) The value of the investment in the Fund is impacted by the sales load at the time of the investment and by the ongoing expenses of the Fund and assumes reinvestment of dividends and distributions.

Average Annual Total Return ⁽²⁾	Class A ⁽³⁾	Class B ⁽⁴⁾	Class C	Class E ⁽⁵⁾	Class I	Class R	Class R6	Class Y
1-year period ended 3-31-15	-0.35%	0.89%	5.00%	-0.12%	6.13%	5.45%	—	5.84%
5-year period ended 3-31-15	10.36%	10.30%	10.87%	10.68%	12.12%	—	—	11.86%
10-year period ended 3-31-15	6.02%	5.61%	5.78%	—	—	—	—	6.88%
Since Inception of Class through 3-31-15 ⁽⁶⁾	—	—	—	5.19%	6.09%	17.26%	1.72%	—

(2) Data quoted is past performance and is based on deduction of the maximum applicable sales load for each of the periods. Current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfund.com for the Fund's most recent month end performance. Class A and Class E shares carry a maximum front-end sales load of 5.75%. Class B and Class C shares carry a maximum contingent deferred sales charge (CDSC) of 5% and 1%, respectively (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class R, Class R6 and Class Y shares are not subject to sales charges.

(3) Class A shares carry a CDSC on shares purchased at net asset value for \$1 million or more that are subsequently redeemed within 12 months of purchase.

(4) Class B shares are not currently available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class E shares are not currently available for investment.

(6) 4-2-07 for Class E shares, 4-2-07 for Class I shares, 12-19-12 for Class R shares and 7-31-14 for Class R6 shares (the date on which shares were first acquired by shareholders).

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS

Ivy Value Fund *(in thousands)*

MARCH 31, 2015

COMMON STOCKS	Shares	Value
Consumer Discretionary		
Auto Parts & Equipment – 3.1%		
Magna International, Inc.	199	\$10,657
Cable & Satellite – 8.0%		
Comcast Corp., Class A	152	8,555
Time Warner Cable, Inc.	124	18,540
		<u>27,095</u>
Casinos & Gaming – 3.1%		
Las Vegas Sands, Inc.	190	10,468
Department Stores – 2.5%		
Macy's, Inc.	134	8,698
Homebuilding – 2.1%		
Pulte Homes, Inc.	315	7,007
Hotels, Resorts & Cruise Lines – 2.4%		
Wyndham Worldwide Corp.	91	8,242
Total Consumer Discretionary – 21.2%		72,167
Consumer Staples		
Brewers – 1.7%		
Molson Coors Brewing Co., Class B	80	5,941
Drug Retail – 1.3%		
CVS Caremark Corp.	44	4,490
Soft Drinks – 2.7%		
Coca-Cola Enterprises, Inc.	207	9,136
Tobacco – 3.5%		
Philip Morris International, Inc.	158	11,917
Total Consumer Staples – 9.2%		31,484
Energy		
Oil & Gas Refining & Marketing – 2.9%		
Marathon Petroleum Corp. (A)	97	9,926
Oil & Gas Storage & Transportation – 5.1%		
MarkWest Energy Partners L.P.	79	5,235
Regency Energy Partners L.P.	154	3,511
Targa Resources Partners L.P.	99	4,102
VTTI Energy Partners L.P.	176	4,360
		<u>17,208</u>
Total Energy – 8.0%		27,134
Financials		
Asset Management & Custody Banks – 3.1%		
State Street Corp.	142	10,419

COMMON STOCKS (Continued)	Shares	Value
Consumer Finance – 4.7%		
Capital One Financial Corp.	202	\$15,914
Diversified Banks – 1.5%		
Bank of America Corp.	338	5,197
Life & Health Insurance – 3.5%		
MetLife, Inc.	237	11,981
Multi-Line Insurance – 5.4%		
American International Group, Inc.	339	18,590
Other Diversified Financial Services – 4.8%		
Citigroup, Inc. (A)	316	16,280
Regional Banks – 2.1%		
Regions Financial Corp.	768	7,253
Reinsurance – 3.1%		
Reinsurance Group of America, Inc.	113	10,484
Total Financials – 28.2%		96,118
Health Care		
Biotechnology – 2.6%		
Amgen, Inc.	55	8,760
Health Care Facilities – 2.8%		
HCA Holdings, Inc. (B)	126	9,494
Managed Health Care – 5.2%		
Aetna, Inc.	49	5,252
Humana, Inc.	51	9,097
WellPoint, Inc.	23	3,536
		<u>17,885</u>
Pharmaceuticals – 4.4%		
Teva Pharmaceutical Industries Ltd. ADR (A)	238	14,846
Total Health Care – 15.0%		50,985
Information Technology		
Electronic Equipment & Instruments – 3.0%		
Xerox Corp.	801	10,288
Semiconductors – 2.3%		
Micron Technology, Inc. (B)	286	7,751
Technology Hardware, Storage & Peripherals – 6.8%		
SanDisk Corp. (A)	139	8,862
Western Digital Corp. (A)	155	14,134
		<u>22,996</u>
Total Information Technology – 12.1%		41,035

COMMON STOCKS (Continued)	Shares	Value
Materials		
Diversified Chemicals – 2.5%		
Dow Chemical Co. (The)	180	\$ 8,632
Total Materials – 2.5%		8,632
Utilities		
Electric Utilities – 1.9%		
Exelon Corp.	193	6,480
Total Utilities – 1.9%		6,480
TOTAL COMMON STOCKS – 98.1%		\$334,035
(Cost: \$283,764)		
SHORT-TERM SECURITIES		
	Principal	
Commercial Paper (C) – 3.8%		
BMW U.S. Capital LLC (GTD by BMW AG), 0.110%, 4–24–15	\$7,000	7,000
National Oilwell Varco, Inc., 0.160%, 5–13–15	4,000	3,999
Wisconsin Gas LLC, 0.130%, 4–8–15	2,000	2,000
		12,999
TOTAL SHORT-TERM SECURITIES – 3.8%		\$ 12,999
(Cost: \$12,999)		
TOTAL INVESTMENT SECURITIES – 101.9%		\$347,034
(Cost: \$296,763)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (1.9)%		
		(6,546)
NET ASSETS – 100.0%		\$340,488

SCHEDULE OF INVESTMENTS

Ivy Value Fund *(in thousands)*

MARCH 31, 2015

Notes to Schedule of Investments

(A) All or a portion of securities with an aggregate value of \$6,874 are held in collateralized accounts to cover potential obligations with respect to outstanding written options.

(B) No dividends were paid during the preceding 12 months.

(C) Rate shown is the yield to maturity at March 31, 2015.

The following written options were outstanding at March 31, 2015 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Expiration Month	Exercise Price	Premium Received	Value
Las Vegas Sands, Inc.	N/A	Put	325	April 2015	\$ 47.50	\$ 14	\$ (2)
Marathon Petroleum Corp.	N/A	Call	218	April 2015	92.50	26	(239)
Regions Financial Corp.	Credit Suisse (USA), Inc.	Call	7,675	May 2015	10.00	88	(92)
Teva Pharmaceutical Industries Ltd. ADR	N/A	Call	179	June 2015	62.50	31	(48)
Time Warner Cable, Inc.	N/A	Put	235	May 2015	125.00	46	(17)
VTTI Energy Partners L.P.	Citibank N.A.	Put	460	April 2015	20.00	29	(6)
	Credit Suisse (USA), Inc.	Put	450	May 2015	22.50	14	(20)
Western Digital Corp.	N/A	Call	167	April 2015	115.00	29	(1)
						<u>\$277</u>	<u>\$(425)</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2015. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	\$334,035	\$ —	\$—
Short-Term Securities	—	12,999	—
Total	<u>\$334,035</u>	<u>\$12,999</u>	<u>\$—</u>
Liabilities			
Written Options	\$ 67	\$ 358	\$—

During the period ended March 31, 2015, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

OTC = Over the Counter

GTD = Guaranteed

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

Ivy Funds

AS OF MARCH 31, 2015

	Ivy Bond Fund	Ivy Core Equity Fund	Ivy Cundill Global Value Fund	Ivy Dividend Opportunities Fund	Ivy Emerging Markets Equity Fund ⁽¹⁾	Ivy European Opportunities Fund	Ivy Global Bond Fund
(In thousands, except per share amounts)							
ASSETS							
Investments in unaffiliated securities at value+	\$746,492	\$1,131,038	\$316,760	\$425,881	\$603,875	\$191,889	\$268,097
Bullion at value+	—	—	—	—	11,247	—	—
Investments at Value	746,492	1,131,038	316,760	425,881	615,122	191,889	268,097
Cash	3,243	1	37	1	351	1	1
Cash denominated in foreign currencies at value+	—	—	—	—	15,968	—	—
Restricted cash	—	—	—	—	53	—	—
Investment securities sold receivable	25,783	19,541	665	—	2,411	915	87
Dividends and interest receivable	5,401	1,046	1,428	697	1,015	549	2,939
Capital shares sold receivable	1,579	2,642	265	1,142	935	1,321	255
Receivable from affiliates	4	280	2	5	328	—	298
Unrealized appreciation on forward foreign currency contracts	—	—	1,560	—	—	473	65
Variation margin receivable	82	—	—	—	—	—	21
Prepaid and other assets	74	61	55	48	54	58	55
Total Assets	782,658	1,154,609	320,772	427,774	636,237	195,206	271,818
LIABILITIES							
Investment securities purchased payable	36,299	14,545	678	819	21,194	2,158	—
Capital shares redeemed payable	2,202	2,198	1,314	651	1,374	306	1,074
Distributions payable	99	—	—	—	—	—	—
Independent Trustees and Chief Compliance Officer fees payable	75	107	120	29	74	76	9
Distribution and service fees payable	6	10	3	4	4	1	2
Shareholder servicing payable	153	231	124	98	189	67	79
Investment management fee payable	10	22	8	8	16	5	5
Accounting services fee payable	16	23	9	12	14	6	9
Unrealized depreciation on swap agreements	—	—	—	—	49	—	—
Variation margin payable	82	—	—	—	—	—	—
Written options at value+	—	—	—	52	1,335	—	—
Other liabilities	58	9	6	2	39	7	3
Total Liabilities	39,000	17,145	2,262	1,675	24,288	2,626	1,181
Total Net Assets	\$743,658	\$1,137,464	\$318,510	\$426,099	\$611,949	\$192,580	\$270,637
NET ASSETS							
Capital paid in (shares authorized – unlimited)	\$746,580	\$903,690	\$306,190	\$310,543	\$565,456	\$292,666	\$286,724
Undistributed (distributions in excess of) net investment income	(3)	460	255	993	4,951	(75)	573
Accumulated net realized gain (loss)	(19,390)	21,963	(11,215)	19,198	(63,308)	(120,470)	(3,624)
Net unrealized appreciation (depreciation)	16,471	211,351	23,280	95,365	104,850	20,459	(13,036)
Total Net Assets	\$743,658	\$1,137,464	\$318,510	\$426,099	\$611,949	\$192,580	\$270,637
CAPITAL SHARES OUTSTANDING:							
Class A	64,440	42,768	17,392	16,428	27,140	5,135	18,334
Class B	568	892	150	609	489	55	498
Class C	2,564	12,611	1,203	2,821	2,487	344	3,197
Class E	351	677	63	276	15	3	N/A
Class I	679	14,952	284	1,158	7,140	927	5,577
Class R	32	159	19	16	65	11	51
Class R6	132	261	79	23	387	61	30
Class Y	250	6,857	162	508	611	74	539
NET ASSET VALUE PER SHARE:							
Class A	\$10.78	\$14.29	\$16.52	\$19.55	\$16.04	\$29.19	\$9.59
Class B	\$10.78	\$12.36	\$15.20	\$19.22	\$13.48	\$27.21	\$9.58
Class C	\$10.78	\$12.71	\$15.56	\$19.31	\$14.05	\$27.73	\$9.59
Class E	\$10.78	\$14.23	\$16.60	\$19.48	\$16.23	\$29.36	N/A
Class I	\$10.78	\$15.67	\$16.94	\$19.61	\$16.45	\$29.39	\$9.59
Class R	\$10.78	\$14.23	\$16.47	\$19.53	\$16.01	\$29.18	\$9.57
Class R6	\$10.78	\$15.69	\$16.95	\$19.64	\$16.50	\$29.51	\$9.59
Class Y	\$10.78	\$15.29	\$16.77	\$19.58	\$16.33	\$29.38	\$9.59
+COST							
Investments in unaffiliated securities at cost	\$729,654	\$919,687	\$294,870	\$330,573	\$498,751	\$171,837	\$281,355
Bullion at cost	—	—	—	—	12,094	—	—
Cash denominated in foreign currencies at cost	—	—	—	—	15,767	—	—
Written options premiums received at cost	—	—	—	109	1,784	—	—

(1) Consolidated Statement of Assets and Liabilities (See Note 6 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

Ivy Funds

AS OF MARCH 31, 2015

	Ivy Global Equity Income Fund	Ivy Global Growth Fund ⁽¹⁾	Ivy Global Income Allocation Fund	Ivy High Income Fund	Ivy International Core Equity Fund	Ivy Large Cap Growth Fund	Ivy Limited- Term Bond Fund
(In thousands, except per share amounts)							
ASSETS							
Investments in unaffiliated securities at value+	\$297,990	\$534,567	\$769,112	\$7,768,646	\$3,483,520	\$1,681,253	\$1,693,124
Investments in affiliated securities at value+	—	—	—	30,730	—	—	—
Investments at Value	297,990	534,567	769,112	7,799,376	3,483,520	1,681,253	1,693,124
Cash	1	1	1	811	13	5,842	1
Cash denominated in foreign currencies at value+	—*	—*	—	55	56	—	—
Restricted cash	—	—	—	2,660	74	—	—
Investment securities sold receivable	2,664	5,213	225	83,060	—	1,640	—
Dividends and interest receivable	968	1,129	7,476	162,801	9,796	453	16,139
Capital shares sold receivable	689	1,663	1,179	41,917	26,114	3,902	4,057
Receivable from affiliates	97	—	4	31	5	153	1
Unrealized appreciation on forward foreign currency contracts	577	317	381	933	—	—	—
Prepaid and other assets	33	65	76	191	134	66	86
Total Assets	303,019	542,955	778,454	8,091,835	3,519,712	1,693,309	1,713,408
LIABILITIES							
Investment securities purchased payable	6,733	10,851	11,804	46,351	27,799	—	—
Capital shares redeemed payable	407	762	1,488	25,222	4,126	2,365	5,402
Distributions payable	—	—	—	3,160	—	—	172
Independent Trustees and Chief Compliance Officer fees payable	2	90	43	191	75	128	75
Distribution and service fees payable	2	4	6	74	18	12	14
Shareholder servicing payable	77	149	189	1,692	681	370	303
Investment management fee payable	6	12	15	113	77	32	20
Accounting services fee payable	8	13	15	23	23	23	23
Unrealized depreciation on forward foreign currency contracts	58	—	125	—	4,769	—	—
Written options at value+	—	—	350	—	—	—	—
Other liabilities	19	7	25	25	64	1	7
Total Liabilities	7,312	11,888	14,060	76,851	37,632	2,931	6,016
Total Net Assets	\$295,707	\$531,067	\$764,394	\$8,014,984	\$3,482,080	\$1,690,378	\$1,707,392
NET ASSETS							
Capital paid in (shares authorized – unlimited)	\$271,037	\$449,174	\$768,601	\$8,261,447	\$3,247,919	\$1,089,706	\$1,706,417
Undistributed (distributions in excess of) net investment income	767	481	4,119	(177)	(10,383)	(1,393)	—
Accumulated net realized gain (loss)	7,092	6,829	(13,008)	(20,141)	(30,675)	7,178	(21,014)
Net unrealized appreciation (depreciation)	16,811	74,583	4,682	(226,145)	275,219	594,887	21,989
Total Net Assets	\$295,707	\$531,067	\$764,394	\$8,014,984	\$3,482,080	\$1,690,378	\$1,707,392
CAPITAL SHARES OUTSTANDING:							
Class A	19,002	9,561	42,384	361,222	77,349	56,966	137,639
Class B	142	104	359	16,421	816	789	1,234
Class C	961	702	3,291	200,064	10,476	5,574	10,730
Class E	N/A	3	177	1,219	278	483	342
Class I	1,631	1,785	3,082	312,036	74,914	15,961	4,027
Class R	23	23	18	7,169	1,057	1,383	47
Class R6	96	59	114	1,625	1,164	305	306
Class Y	348	259	175	91,558	29,229	6,753	1,964
NET ASSET VALUE PER SHARE:							
Class A	\$13.32	\$42.75	\$15.42	\$8.09	\$17.88	\$19.19	\$10.92
Class B	\$13.31	\$37.61	\$15.15	\$8.09	\$15.97	\$15.82	\$10.92
Class C	\$13.31	\$37.68	\$15.24	\$8.09	\$16.00	\$16.78	\$10.92
Class E	N/A	\$42.83	\$15.42	\$8.09	\$17.99	\$19.17	\$10.92
Class I	\$13.33	\$43.24	\$15.54	\$8.09	\$17.99	\$19.90	\$10.92
Class R	\$13.32	\$42.64	\$15.41	\$8.09	\$17.87	\$18.74	\$10.92
Class R6	\$13.33	\$43.32	\$15.55	\$8.09	\$18.04	\$19.93	\$10.92
Class Y	\$13.32	\$42.86	\$15.48	\$8.09	\$18.00	\$19.57	\$10.92
+COST							
Investments in unaffiliated securities at cost	\$281,673	\$460,225	\$764,825	\$7,991,378	\$3,203,244	\$1,086,366	\$1,671,135
Investments in affiliated securities at cost	—	—	—	35,000	—	—	—
Cash denominated in foreign currencies at cost	—	—	—	55	56	—	—
Written options premiums received at cost	—	—	592	—	—	—	—

*Not shown due to rounding.

(1)Effective January 1, 2015, the Fund's name changed from Ivy International Growth Fund to Ivy Global Growth Fund.

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

Ivy Funds

AS OF MARCH 31, 2015

	Ivy Managed International Opportunities Fund	Ivy Micro Cap Growth Fund	Ivy Mid Cap Growth Fund	Ivy Mid Cap Income Opportunities Fund	Ivy Money Market Fund	Ivy Municipal Bond Fund	Ivy Municipal High Income Fund
(In thousands, except per share amounts)							
ASSETS							
Investments in unaffiliated securities at value+	\$ 262	\$238,074	\$5,151,759	\$65,807	\$158,666	\$180,610	\$1,329,843
Investments in affiliated securities at value+	238,767	—	—	—	—	—	4,213
Investments at Value	239,029	238,074	5,151,759	65,807	158,666	180,610	1,334,056
Cash	1	2	2,131	1	1	1	1
Investment securities sold receivable	280	206	23,958	—	—	—	—
Dividends and interest receivable	—*	102	2,237	105	55	1,792	21,416
Capital shares sold receivable	121	312	13,947	422	2,170	710	4,282
Receivable from affiliates	2	—	54	53	646	—*	10
Prepaid and other assets	55	52	86	105	31	35	64
Total Assets	239,488	238,748	5,194,172	66,493	161,569	183,148	1,359,829
LIABILITIES							
Investment securities purchased payable	—	1,179	17,714	570	—	2,635	—
Capital shares redeemed payable	405	905	11,919	223	862	270	5,133
Distributions payable	—	—	—	—	1	20	238
Independent Trustees and Chief Compliance							
Officer fees payable	13	3	99	—*	27	13	26
Distribution and service fees payable	2	2	23	—*	1	2	10
Shareholder servicing payable	28	75	1,155	8	35	23	176
Investment management fee payable	—*	6	113	2	2	3	18
Accounting services fee payable	5	8	23	3	6	6	22
Written options at value+	—	—	2,030	—	—	—	—
Other liabilities	2	3	—	2	3	2	10
Total Liabilities	455	2,181	33,076	808	937	2,974	5,633
Total Net Assets	\$239,033	\$236,567	\$5,161,096	\$65,685	\$160,632	\$180,174	\$1,354,196
NET ASSETS							
Capital paid in (shares authorized – unlimited)	\$226,825	\$191,200	\$3,982,624	\$61,647	\$160,666	\$170,595	\$1,317,386
Undistributed (distributions in excess of) net investment income	(166)	(836)	(2,964)	175	—	111	2,536
Accumulated net realized gain (loss)	(59,231)	(3,516)	157,669	74	(34)	(2,502)	(13,259)
Net unrealized appreciation	71,605	49,719	1,023,767	3,789	—	11,970	47,533
Total Net Assets	\$239,033	\$236,567	\$5,161,096	\$65,685	\$160,632	\$180,174	\$1,354,196
CAPITAL SHARES OUTSTANDING:							
Class A	21,592	8,005	43,765	3,845	118,850	12,257	71,032
Class B	231	91	1,211	N/A	4,295	189	2,761
Class C	517	437	16,420	280	32,217	2,000	44,932
Class E	44	N/A	331	201	5,304	N/A	N/A
Class I	135	830	118,396	769	N/A	432	132,591
Class R	56	29	4,159	201	N/A	N/A	N/A
Class R6	N/A	94	1,085	238	N/A	N/A	N/A
Class Y	164	80	29,088	381	N/A	55	3,944
NET ASSET VALUE PER SHARE:							
Class A	\$10.52	\$24.73	\$23.43	\$11.10	\$1.00	\$12.07	\$5.31
Class B	\$10.33	\$23.70	\$19.84	N/A	\$1.00	\$12.07	\$5.31
Class C	\$10.36	\$24.00	\$20.88	\$11.10	\$1.00	\$12.07	\$5.31
Class E	\$10.53	N/A	\$22.92	\$11.11	\$1.00	N/A	N/A
Class I	\$10.54	\$25.12	\$24.77	\$11.11	N/A	\$12.07	\$5.31
Class R	\$10.50	\$24.69	\$23.08	\$11.10	N/A	N/A	N/A
Class R6	N/A	\$25.19	\$24.81	\$11.11	N/A	N/A	N/A
Class Y	\$10.51	\$25.44	\$24.26	\$11.11	N/A	\$12.07	\$5.31
+COST							
Investments in unaffiliated securities at cost	\$ 262	\$188,355	\$4,128,001	\$62,018	\$158,666	\$168,640	\$1,282,900
Investments in affiliated securities at cost	167,162	—	—	—	—	—	3,623
Written options premiums received at cost	—	—	2,039	—	—	—	—

*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

Ivy Funds

AS OF MARCH 31, 2015

(In thousands, except per share amounts)

ASSETS

Investments in unaffiliated securities at value +

\$ 1,148,607 \$ 305,324 \$ 78,943 \$ 347,034

Investments at Value

1,148,607 305,324 78,943 347,034

Cash

1 1 1 1,721

Investment securities sold receivable

6,001 1,496 — 5,989

Dividends and interest receivable

857 245 54 620

Capital shares sold receivable

1,405 257 319 577

Receivable from affiliates

5 — — —

Prepaid and other assets

58 54 36 68

Total Assets

1,156,934 307,377 79,353 356,009

LIABILITIES

Investment securities purchased payable

2,650 1,617 — 12,056

Capital shares redeemed payable

2,466 586 117 2,907

Independent Trustees and Chief Compliance Officer fees payable

184 34 1 20

Distribution and service fees payable

11 2 1 3

Shareholder servicing payable

263 102 12 91

Investment management fee payable

27 7 1 6

Accounting services fee payable

23 9 4 11

Unrealized depreciation on swap agreements

13 — — —

Written options at value +

— — — 425

Other liabilities

6 4 3 2

Total Liabilities

5,643 2,361 139 15,521

Total Net Assets

\$1,151,291 \$305,016 \$79,214 \$340,488

NET ASSETS

Capital paid in (shares authorized – unlimited)

\$ 722,141 \$234,814 \$59,695 \$278,714

Undistributed (distributions in excess of) net investment income

(84) 2,622 — 4,403

Accumulated net realized gain

47,943 19,557 1,388 7,248

Net unrealized appreciation

381,291 48,023 18,131 50,123

Total Net Assets

\$1,151,291 \$305,016 \$79,214 \$340,488

CAPITAL SHARES OUTSTANDING:

Class A

20,558 13,733 3,670 12,590

Class B

704 211 77 204

Class C

12,711 1,152 134 975

Class E

323 8 N/A 7

Class I

9,383 1,560 180 623

Class R

2,437 111 N/A 15

Class R6

952 182 N/A 55

Class Y

12,003 526 46 117

NET ASSET VALUE PER SHARE:

Class A

\$18.71 \$17.47 \$19.31 \$23.40

Class B

\$15.28 \$15.01 \$18.73 \$22.04

Class C

\$16.27 \$15.74 \$18.69 \$22.73

Class E

\$18.60 \$17.93 N/A \$23.49

Class I

\$22.77 \$18.49 \$19.47 \$23.50

Class R

\$18.55 \$17.44 N/A \$23.37

Class R6

\$22.79 \$18.56 N/A \$23.56

Class Y

\$21.88 \$18.12 \$19.34 \$23.45

+COST

Investments in unaffiliated securities at cost

\$ 767,297 \$257,301 \$60,812 \$296,763

Written options premiums received at cost

— — — 277

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

Ivy Funds

FOR THE YEAR ENDED MARCH 31, 2015

(In thousands)	Ivy Bond Fund	Ivy Core Equity Fund	Ivy Cundill Global Value Fund	Ivy Dividend Opportunities Fund	Ivy Emerging Markets Equity Fund ⁽¹⁾	Ivy European Opportunities Fund	Ivy Global Bond Fund
INVESTMENT INCOME							
Dividends from unaffiliated securities	\$ 375	\$13,619	\$ 6,641	\$ 9,458	\$ 12,715	\$ 5,020	\$ 1,384
Foreign dividend withholding tax	—	(177)	(601)	(68)	(1,398)	(638)	(49)
Interest and amortization from unaffiliated securities	21,388	59	489	38	122	3	11,885
Foreign interest withholding tax	—	—	—	—	(2)	—	—
Total Investment Income	21,763	13,501	6,529	9,428	11,437	4,385	13,220
EXPENSES							
Investment management fee	3,541	7,291	3,634	2,855	6,383	1,738	1,884
Distribution and service fees:							
Class A	1,600	1,445	813	773	1,182	376	477
Class B	68	107	31	123	78	18	57
Class C	234	1,512	221	497	390	96	338
Class E	9	20	3	12	1	—*	N/A
Class R	1	10	2	2	5	2	2
Class Y	7	213	9	26	27	7	20
Shareholder servicing:							
Class A	1,183	991	1,102	646	1,578	578	491
Class B	28	35	24	28	48	15	21
Class C	52	234	49	64	122	27	53
Class E	19	35	7	26	—*	—*	N/A
Class I	9	328	11	33	207	42	99
Class R	1	5	1	1	3	1	1
Class R6	—*	1	—*	—*	—*	—*	—*
Class Y	4	130	6	16	22	5	13
Registration fees	130	128	111	109	124	102	95
Custodian fees	25	22	30	12	207	32	13
Independent Trustees and Chief Compliance Officer fees	20	31	14	12	20	8	8
Accounting services fee	181	266	127	137	179	81	103
Professional fees	34	21	25	16	56	22	30
Other	59	109	79	43	198	70	20
Total Expenses	7,205	12,934	6,299	5,431	10,830	3,220	3,725
Less:							
Expenses in excess of limit	(8)	(537)	(511)	(10)	(809)	—	(597)
Total Net Expenses	7,197	12,397	5,788	5,421	10,021	3,220	3,128
Net Investment Income	14,566	1,104	741	4,007	1,416	1,165	10,092
REALIZED AND UNREALIZED GAIN (LOSS)							
Net realized gain (loss) on:							
Investments in unaffiliated securities	11,726	79,672	507	50,523	56,811	8,778	(705)
Futures contracts	(2,286)	—	—	—	(726)	—	(237)
Written options	—	—	—	—	4,376	—	—
Swap agreements	—	—	—	—	2,401	—	—
Forward foreign currency contracts	—	—	4,693	—	(106)	8,237	15
Foreign currency exchange transactions	—	—	(145)	1	(695)	58	(154)
Net change in unrealized appreciation (depreciation) on:							
Investments in unaffiliated securities	12,194	16,279	(37,525)	(23,081)	(15,223)	(20,043)	(14,768)
Futures contracts	(318)	—	—	—	—	—	166
Written options	—	—	—	57	(124)	—	—
Swap agreements	—	—	—	—	518	—	—
Forward foreign currency contracts	—	—	1,609	—	(172)	442	128
Foreign currency exchange transactions	—	—	(154)	—*	(72)	(85)	(10)
Net Realized and Unrealized Gain (Loss)	21,316	95,951	(31,015)	27,500	46,988	(2,613)	(15,565)
Net Increase (Decrease) in Net Assets Resulting from Operations	\$35,882	\$97,055	\$(30,274)	\$ 31,507	\$ 48,404	\$ (1,448)	\$ (5,473)

*Not shown due to rounding.

(1) Consolidated Statement of Operations (See Note 6 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

Ivy Funds

FOR THE YEAR ENDED MARCH 31, 2015

(In thousands)	Ivy Global Equity Income Fund	Ivy Global Growth Fund ⁽¹⁾	Ivy Global Income Allocation Fund	Ivy High Income Fund	Ivy International Core Equity Fund	Ivy Large Cap Growth Fund	Ivy Limited- Term Bond Fund
INVESTMENT INCOME							
Dividends from unaffiliated securities	\$11,871	\$10,415	\$ 23,732	\$ 1,215	\$ 66,999	\$ 14,574	\$ —
Dividends from affiliated securities	—	—	—	1,475	—	—	—
Foreign dividend withholding tax	(1,143)	(1,034)	(1,923)	—	(6,289)	(110)	—
Interest and amortization from unaffiliated securities	6	45	14,083	756,709	130	49	38,407
Foreign interest withholding tax	—	—*	—	—	(1)	—	—
Total Investment Income	10,734	9,426	35,892	759,399	60,839	14,513	38,407
EXPENSES							
Investment management fee	1,770	4,157	4,750	51,046	21,697	10,475	7,501
Distribution and service fees:							
Class A	541	892	1,431	8,880	2,974	2,614	3,745
Class B	19	43	61	1,499	137	109	157
Class C	93	268	393	18,467	1,353	821	1,238
Class E	N/A	—*	7	25	12	20	9
Class R	2	5	1	239	52	147	2
Class Y	11	29	13	2,458	686	330	60
Shareholder servicing:							
Class A	656	1,024	1,488	5,270	2,768	2,058	2,272
Class B	3	20	24	206	45	31	37
Class C	11	70	55	1,895	209	118	192
Class E	N/A	—*	15	47	29	33	11
Class I	31	104	79	5,321	1,530	354	77
Class R	1	2	1	120	26	74	1
Class R6	—*	—*	—*	—*	—*	1	—*
Class Y	7	19	8	1,605	428	200	39
Registration fees	100	125	126	609	179	134	223
Custodian fees	42	55	55	126	241	22	27
Independent Trustees and Chief Compliance Officer fees	7	16	19	276	69	45	49
Accounting services fee	99	145	186	273	273	273	273
Professional fees	19	23	28	107	53	25	28
Other	68	99	112	965	172	104	134
Total Expenses	3,480	7,096	8,852	99,434	32,933	17,988	16,075
Less:							
Expenses in excess of limit	(189)	—	(8)	(142)	(10)	(312)	(3)
Total Net Expenses	3,291	7,096	8,844	99,292	32,923	17,676	16,072
Net Investment Income (Loss)	7,443	2,330	27,048	660,107	27,916	(3,163)	22,335
REALIZED AND UNREALIZED GAIN (LOSS)							
Net realized gain (loss) on:							
Investments in unaffiliated securities	(2,402)	8,523	16,918	55,521	133,902	129,243	4,198
Futures contracts	—	—	—	—	—	—	(11,717)
Written options	—	—	232	—	—	—	—
Swap agreements	—	—	—	(1)	—	—	—
Forward foreign currency contracts	13,152	12,031	12,665	33,918	10,586	—	—
Foreign currency exchange transactions	(108)	(102)	(256)	(1,950)	(1,343)	—	—
Net change in unrealized appreciation (depreciation) on:							
Investments in unaffiliated securities	(3,900)	3,213	(40,220)	(688,657)	(25,310)	120,609	10,045
Investments in affiliated securities	—	—	—	(5,740)	—	—	—
Futures contracts	—	—	—	—	—	—	1,624
Written options	—	—	242	—	—	—	—
Forward foreign currency contracts	726	124	319	2,783	(5,088)	—	—
Foreign currency exchange transactions	(33)	(75)	(123)	(125)	(322)	—	—
Net Realized and Unrealized Gain (Loss)	7,435	23,714	(10,223)	(604,251)	112,425	249,852	4,150
Net Increase in Net Assets Resulting from Operations	\$14,878	\$26,044	\$ 16,825	\$ 55,856	\$140,341	\$246,689	\$ 26,485

*Not shown due to rounding.

(1)Effective January 1, 2015, the Fund's name changed from Ivy International Growth Fund to Ivy Global Growth Fund.

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

Ivy Funds

FOR THE YEAR ENDED MARCH 31, 2015

	Ivy Managed International Opportunities Fund	Ivy Micro Cap Growth Fund	Ivy Mid Cap Growth Fund	Ivy Mid Cap Income Opportunities Fund ⁽¹⁾	Ivy Money Market Fund	Ivy Municipal Bond Fund	Ivy Municipal High Income Fund
(In thousands)							
INVESTMENT INCOME							
Dividends from unaffiliated securities	\$ —	\$ 318	\$ 38,685	\$ 726	\$ —	\$ —	\$ —
Dividends from affiliated securities	4,639	—	—	—	—	—	—
Foreign dividend withholding tax	—	—	(138)	—	—	—	—
Interest and amortization from unaffiliated securities	1	15	136	2	326	5,710	67,484
Interest and amortization from affiliated securities	—	—	—	—	—	—	73
Total Investment Income	4,640	333	38,683	728	326	5,710	67,557
EXPENSES							
Investment management fee	125	2,248	39,187	195	690	830	6,347
Distribution and service fees:							
Class A	595	488	2,993	34	—	325	925
Class B	30	23	237	N/A	54	23	149
Class C	59	116	3,124	13	361	221	2,292
Class E	1	N/A	16	3	—	N/A	N/A
Class R	3	3	479	5	N/A	N/A	N/A
Class Y	4	5	1,789	4	N/A	2	54
Shareholder servicing:							
Class A	198	632	2,690	23	197	141	285
Class B	7	11	52	N/A	11	3	14
Class C	9	37	563	—*	37	24	133
Class E	—*	N/A	36	—*	11	N/A	N/A
Class I	—*	40	4,114	6	N/A	5	983
Class R	—*	1	253	3	N/A	N/A	N/A
Class R6	N/A	—*	1	—*	N/A	N/A	N/A
Class Y	1	4	1,119	3	N/A	1	35
Registration fees	95	107	189	3	81	77	129
Offering cost	—	—	—	45	—	—	—
Custodian fees	7	13	55	5	13	8	18
Independent Trustees and Chief Compliance Officer fees	7	7	132	—*	6	5	34
Accounting services fee	60	96	273	18	69	69	263
Professional fees	21	14	48	3	16	22	73
Other	51	51	417	4	26	20	64
Total Expenses	1,273	3,896	57,767	367	1,572	1,776	11,798
Less:							
Expenses in excess of limit	(2)	—	(117)	(53)	(1,281)	—*	(218)
Total Net Expenses	1,271	3,896	57,650	314	291	1,776	11,580
Net Investment Income (Loss)	3,369	(3,563)	(18,967)	414	35	3,934	55,977
REALIZED AND UNREALIZED GAIN (LOSS)							
Net realized gain (loss) on:							
Investments in unaffiliated securities	—	(3,144)	329,747	51	2	(1,710)	(671)
Investments in affiliated securities	2,885	—	—	—	—	—	—
Distributions of realized capital gains from affiliated securities	4,003	—	—	—	—	—	—
Written options	—	—	7,143	—	—	—	—
Foreign currency exchange transactions	—	—	(22)	—	—	—	—
Net change in unrealized appreciation (depreciation) on:							
Investments in unaffiliated securities	—	(5,322)	195,656	3,789	—	5,815	66,710
Investments in affiliated securities	2,248	—	—	—	—	—	590
Written options	—	—	(159)	—	—	—	—
Net Realized and Unrealized Gain (Loss)	9,136	(8,466)	532,365	3,840	2	4,105	66,629
Net Increase (Decrease) in Net Assets Resulting from Operations	\$12,505	\$(12,029)	\$513,398	\$4,254	\$ 37	\$ 8,039	\$122,606

*Not shown due to rounding.

(1) Period from October 1, 2014 (commencement of operations) to March 31, 2015.

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

Ivy Funds

FOR THE YEAR ENDED MARCH 31, 2015

(In thousands)

	Ivy Small Cap Growth Fund	Ivy Small Cap Value Fund	Ivy Tax- Managed Equity Fund	Ivy Value Fund
INVESTMENT INCOME				
Dividends from unaffiliated securities	\$ 6,951	\$ 4,011	\$ 685	\$ 5,662
Foreign dividend withholding tax	—	—	(5)	(40)
Interest and amortization from unaffiliated securities	59	27	3	30
Total Investment Income	7,010	4,038	683	5,652
EXPENSES				
Investment management fee	9,442	2,557	386	2,252
Distribution and service fees:				
Class A	916	592	133	703
Class B	109	34	13	52
Class C	2,031	185	21	186
Class E	13	—*	N/A	—*
Class R	208	8	N/A	2
Class Y	634	21	2	9
Shareholder servicing:				
Class A	998	805	77	632
Class B	43	18	1	19
Class C	335	49	2	33
Class E	32	—*	N/A	—*
Class I	357	48	3	20
Class R	108	4	N/A	1
Class R6	1	—*	N/A	—*
Class Y	397	14	1	6
Registration fees	130	105	65	112
Custodian fees	22	14	7	12
Independent Trustees and Chief Compliance Officer fees	37	9	1	10
Accounting services fee	273	104	42	115
Professional fees	26	20	12	21
Other	109	44	17	47
Total Expenses	16,221	4,631	783	4,232
Less:				
Expenses in excess of limit	(12)	—	—	—
Total Net Expenses	16,209	4,631	783	4,232
Net Investment Income (Loss)	(9,199)	(593)	(100)	1,420
REALIZED AND UNREALIZED GAIN (LOSS)				
Net realized gain (loss) on:				
Investments in unaffiliated securities	71,791	39,443	2,720	26,375
Written options	—	61	—	934
Swap agreements	8,829	—	—	—
Foreign currency exchange transactions	2	—	—	—
Net change in unrealized appreciation (depreciation) on:				
Investments in unaffiliated securities	10,686	(22,143)	6,595	(12,644)
Written options	—	—	—	(481)
Swap agreements	(13)	—	—	—
Foreign currency exchange transactions	—*	—	—	—
Net Realized and Unrealized Gain	91,295	17,361	9,315	14,184
Net Increase in Net Assets Resulting from Operations	\$82,096	\$ 16,768	\$9,215	\$ 15,604

*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Bond Fund		Ivy Core Equity Fund		Ivy Cundill Global Value Fund	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income (loss)	\$ 14,566	\$ 13,747	\$ 1,104	\$ 1,803	\$ 741	\$ (758)
Net realized gain (loss) on investments	9,440	(4,218)	79,672	60,978	5,055	34,468
Net change in unrealized appreciation (depreciation)	11,876	(8,024)	16,279	83,270	(36,070)	23,127
Net Increase (Decrease) in Net Assets Resulting from Operations	35,882	1,505	97,055	146,051	(30,274)	56,837
Distributions to Shareholders From:						
Net investment income:						
Class A	(15,481)	(15,616)	—	(1,301)	—	(170)
Class B	(99)	(165)	—	—	—	—
Class C	(381)	(600)	—	—	—	—
Class E	(85)	(113)	—	(10)	—	(3)
Class I	(158)	(153)	(385)	(643)	—	(33)
Class R	(6)	(6)	—	—*	—	—*
Class R6	(23)	N/A	(3)	N/A	—	N/A
Class Y	(64)	(81)	(153)	(279)	—	(27)
Net realized gains:						
Class A	—	—	(43,397)	(24,955)	—	—
Class B	—	—	(818)	(642)	—	—
Class C	—	—	(11,940)	(8,242)	—	—
Class E	—	—	(617)	(334)	—	—
Class I	—	—	(16,394)	(7,028)	—	—
Class R	—	—	(171)	(31)	—	—
Class R6	—	N/A	(250)	N/A	—	N/A
Class Y	—	—	(6,537)	(3,086)	—	—
Total Distributions to Shareholders	(16,297)	(16,734)	(80,665)	(46,551)	—	(233)
Capital Share Transactions	123,728	(4,368)	237,462	247,634	(23,159)	83,656
Net Increase (Decrease) in Net Assets	143,313	(19,597)	253,852	347,134	(53,433)	140,260
Net Assets, Beginning of Period	600,345	619,942	883,612	536,478	371,943	231,683
Net Assets, End of Period	\$743,658	\$600,345	\$1,137,464	\$883,612	\$318,510	\$371,943
Undistributed (distributions in excess of) net investment income	\$ (3)	\$ —	\$ 460	\$ (104)	\$ 255	\$ (341)

*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

	Ivy Dividend Opportunities Fund		Ivy Emerging Markets Equity Fund ⁽¹⁾		Ivy European Opportunities Fund	
(In thousands)	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 4,007	\$ 3,339	\$ 1,416	\$ 1,451	\$ 1,165	\$ 2,626
Net realized gain on investments	50,524	36,827	62,061	29,562	17,073	45,714
Net change in unrealized appreciation (depreciation)	(23,024)	26,399	(15,073)	19,451	(19,686)	(8,315)
Net Increase (Decrease) in Net Assets Resulting from Operations	31,507	66,565	48,404	50,464	(1,448)	40,025
Distributions to Shareholders From:						
Net investment income:						
Class A	(3,298)	(2,303)	(3,355)	(2,323)	(2,516)	(443)
Class B	(40)	(35)	—	—	(6)	—
Class C	(217)	(160)	(39)	(16)	(98)	—
Class E	(45)	(32)	(2)	(2)	(2)	(1)
Class I	(299)	(198)	(1,308)	(1,386)	(583)	(309)
Class R	(3)	(2)	(5)	(1)	(5)	(1)
Class R6	(5)	N/A	(58)	N/A	(39)	N/A
Class Y	(120)	(99)	(83)	(35)	(28)	(12)
Net realized gains:						
Class A	(30,956)	(4,100)	—	—	—	—
Class B	(1,236)	(191)	—	—	—	—
Class C	(5,197)	(686)	—	—	—	—
Class E	(485)	(64)	—	—	—	—
Class I	(2,212)	(266)	—	—	—	—
Class R	(34)	(5)	—	—	—	—
Class R6	(45)	N/A	—	N/A	—	N/A
Class Y	(1,041)	(161)	—	—	—	—
Total Distributions to Shareholders	(45,233)	(8,302)	(4,850)	(3,763)	(3,277)	(766)
Capital Share Transactions	54,998	(353)	(171,945)	26,177	(13,059)	(40,958)
Net Increase (Decrease) in Net Assets	41,272	57,910	(128,391)	72,878	(17,784)	(1,699)
Net Assets, Beginning of Period	384,827	326,917	740,340	667,462	210,364	212,063
Net Assets, End of Period	\$426,099	\$384,827	\$ 611,949	\$740,340	\$192,580	\$210,364
Undistributed (distributions in excess of) net investment income	\$ 993	\$ 993	\$ 4,951	\$ 2,431	\$ (75)	\$ 1,952

(1) Consolidated Statements of Changes in Net Assets (See Note 6 in Notes to Financial Statements).

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Global Bond Fund		Ivy Global Equity Income Fund		Ivy Global Growth Fund ⁽¹⁾	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 10,092	\$ 9,605	\$ 7,443	\$ 6,816	\$ 2,330	\$ 1,829
Net realized gain (loss) on investments	(1,081)	(3,044)	10,642	1,893	20,452	11,474
Net change in unrealized appreciation (depreciation)	(14,484)	(2,593)	(3,207)	15,392	3,262	43,648
Net Increase (Decrease) in Net Assets Resulting from Operations	(5,473)	3,968	14,878	24,101	26,044	56,951
Distributions to Shareholders From:						
Net investment income:						
Class A	(6,182)	(5,939)	(7,083)	(4,717)	(250)	(3,444)
Class B	(142)	(164)	(54)	(48)	—	(19)
Class C	(849)	(1,026)	(243)	(167)	—	(131)
Class E	N/A	N/A	N/A	N/A	—*	(2)
Class I	(2,215)	(2,038)	(755)	(537)	(226)	(724)
Class R	(12)	(8)	(9)	(9)	—	(4)
Class R6	(6)	N/A	(31)	N/A	(6)	N/A
Class Y	(270)	(191)	(154)	(149)	(17)	(134)
Net realized gains:						
Class A	—	(294)	(4,442)	(1,205)	(4,729)	—
Class B	—	(10)	(37)	(14)	(54)	—
Class C	—	(61)	(195)	(49)	(368)	—
Class E	N/A	N/A	N/A	N/A	(1)	—
Class I	—	(85)	(494)	(110)	(859)	—
Class R	—	—*	(6)	(2)	(13)	—
Class R6	—	N/A	(27)	N/A	(31)	N/A
Class Y	—	(9)	(90)	(32)	(155)	—
Total Distributions to Shareholders	(9,676)	(9,825)	(13,620)	(7,039)	(6,709)	(4,458)
Capital Share Transactions	(5,958)	8,339	81,899	115,423	61,871	110,819
Net Increase (Decrease) in Net Assets	(21,107)	2,482	83,157	132,485	81,206	163,312
Net Assets, Beginning of Period	291,744	289,262	212,550	80,065	449,861	286,549
Net Assets, End of Period	\$270,637	\$291,744	\$295,707	\$212,550	\$531,067	\$449,861
Undistributed (distributions in excess of) net investment income	\$ 573	\$ 474	\$ 767	\$ 1,522	\$ 481	\$ (2,542)

*Not shown due to rounding.

(1)Effective January 1, 2015, the Fund's name changed from Ivy International Growth Fund to Ivy Global Growth Fund.

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Global Income Allocation Fund		Ivy High Income Fund		Ivy International Core Equity Fund	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 27,048	\$ 21,313	\$ 660,107	\$ 623,007	\$ 27,916	\$ 20,205
Net realized gain on investments	29,559	3,198	87,488	142,745	143,145	169,817
Net change in unrealized appreciation (depreciation)	(39,782)	20,831	(691,739)	62,708	(30,720)	157,167
Net Increase in Net Assets Resulting from Operations	16,825	45,342	55,856	828,460	140,341	347,189
Distributions to Shareholders From:						
Net investment income:						
Class A	(22,360)	(16,006)	(237,844)	(238,598)	(14,825)	(17,519)
Class B	(185)	(203)	(8,954)	(9,775)	(70)	(172)
Class C	(1,440)	(897)	(110,961)	(101,286)	(953)	(1,606)
Class E	(103)	(93)	(647)	(577)	(49)	(74)
Class I	(2,455)	(1,316)	(232,534)	(220,782)	(15,770)	(16,246)
Class R	(10)	(10)	(3,068)	(554)	(124)	(35)
Class R6	(50)	N/A	(323)	N/A	(75)	N/A
Class Y	(200)	(252)	(65,747)	(63,213)	(3,248)	(2,949)
Net realized gains:						
Class A	—	—	(54,388)	(57,013)	(113,327)	(220)
Class B	—	—	(2,437)	(2,504)	(1,380)	(3)
Class C	—	—	(30,222)	(26,402)	(14,341)	(28)
Class E	—	—	(173)	(144)	(442)	(1)
Class I	—	—	(48,424)	(52,595)	(94,330)	(172)
Class R	—	—	(908)	(230)	(1,210)	(1)
Class R6	—	N/A	(62)	N/A	(500)	N/A
Class Y	—	—	(14,849)	(15,081)	(23,237)	(35)
Total Distributions to Shareholders	(26,803)	(18,777)	(811,541)	(788,754)	(283,881)	(39,061)
Capital Share Transactions	197,484	172,881	(2,708,175)	3,350,166	1,503,559	286,814
Net Increase (Decrease) in Net Assets	187,506	199,446	(3,463,860)	3,389,872	1,360,019	594,942
Net Assets, Beginning of Period	576,888	377,442	11,478,844	8,088,972	2,122,061	1,527,119
Net Assets, End of Period	\$764,394	\$576,888	\$ 8,014,984	\$11,478,844	\$3,482,080	\$2,122,061
Undistributed (distributions in excess of) net investment income						
	\$ 4,119	\$ 3,932	\$ (177)	\$ 1,012	\$ (10,383)	\$ (7,428)

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

	Ivy Large Cap Growth Fund		Ivy Limited-Term Bond Fund		Ivy Managed International Opportunities Fund	
(In thousands)	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income (loss)	\$ (3,163)	\$ 624	\$ 22,335	\$ 19,908	\$ 3,369	\$ 2,212
Net realized gain (loss) on investments	129,243	202,726	(7,519)	(11,349)	6,888	4,346
Net change in unrealized appreciation (depreciation)	120,609	99,887	11,669	(20,907)	2,248	20,520
Net Increase (Decrease) in Net Assets Resulting from Operations	246,689	303,237	26,485	(12,348)	12,505	27,078
Distributions to Shareholders From:						
Net investment income:						
Class A	—	—	(21,105)	(18,144)	(3,196)	(2,105)
Class B	—	—	(89)	(111)	(24)	(13)
Class C	—	—	(809)	(1,097)	(52)	(32)
Class E	—	—	(47)	(46)	(7)	(3)
Class I	—	(198)	(809)	(1,234)	(20)	(8)
Class R	—	—	(5)	(3)	(7)	(3)
Class R6	—	N/A	(43)	N/A	N/A	N/A
Class Y	—	(76)	(338)	(506)	(26)	(11)
Net realized gains:						
Class A	(70,570)	(114,458)	—	(8,050)	—	—
Class B	(925)	(1,454)	—	(116)	—	—
Class C	(6,725)	(9,257)	—	(876)	—	—
Class E	(578)	(729)	—	(20)	—	—
Class I	(19,854)	(12,274)	—	(316)	—	—
Class R	(2,067)	(3,262)	—	(1)	—	—
Class R6	(314)	N/A	—	N/A	N/A	N/A
Class Y	(9,260)	(14,050)	—	(169)	—	—
Total Distributions to Shareholders	(110,293)	(155,758)	(23,245)	(30,689)	(3,332)	(2,175)
Capital Share Transactions	88,029	(59,220)	30,070	83,642	(36,714)	49,942
Net Increase (Decrease) in Net Assets	224,425	88,259	33,310	40,605	(27,541)	74,845
Net Assets, Beginning of Period	1,465,953	1,377,694	1,674,082	1,633,477	266,574	191,729
Net Assets, End of Period	\$1,690,378	\$1,465,953	\$1,707,392	\$1,674,082	\$239,033	\$266,574
Distributions in excess of net investment income	\$ (1,393)	\$ (783)	\$ —	\$ (3)	\$ (166)	\$ (210)

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

	Ivy Micro Cap Growth Fund		Ivy Mid Cap Growth Fund		Ivy Mid Cap Income Opportunities Fund
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Period from 10-1-14 (commencement of operations) to 3-31-15
(In thousands)					
INCREASE (DECREASE) IN NET ASSETS					
Operations:					
Net investment income (loss)	\$ (3,563)	\$ (2,416)	\$ (18,967)	\$ (21,189)	\$ 414
Net realized gain (loss) on investments	(3,144)	24,854	336,868	484,256	51
Net change in unrealized appreciation (depreciation)	(5,322)	31,330	195,497	287,532	3,789
Net Increase (Decrease) in Net Assets Resulting from Operations	(12,029)	53,768	513,398	750,599	4,254
Distributions to Shareholders From:					
Net investment income:					
Class A	—	—	—	—	(137)
Class B	—	—	—	—	N/A
Class C	—	—	—	—	(5)
Class E	N/A	N/A	—	—	(11)
Class I	—	—	—	—	(50)
Class R	—	—	—	—	(7)
Class R6	—	N/A	—	N/A	(15)
Class Y	—	—	—	—	(16)
Net realized gains:					
Class A	(11,149)	(8,983)	(96,250)	(50,715)	(7)
Class B	(107)	(145)	(2,584)	(893)	N/A
Class C	(547)	(526)	(33,651)	(8,830)	(1)
Class E	N/A	N/A	(660)	(189)	—*
Class I	(1,214)	(746)	(263,600)	(66,004)	(2)
Class R	(39)	(21)	(9,167)	(3,160)	—*
Class R6	(147)	N/A	(377)	N/A	(1)
Class Y	(151)	(64)	(68,339)	(22,878)	(1)
Total Distributions to Shareholders	(13,354)	(10,485)	(474,628)	(152,669)	(253)
Capital Share Transactions	(4,586)	131,568	342,769	899,428	61,684
Net Increase (Decrease) in Net Assets	(29,969)	174,851	381,539	1,497,358	65,685
Net Assets, Beginning of Period	266,536	91,685	4,779,557	3,282,199	—
Net Assets, End of Period	\$236,567	\$266,536	\$5,161,096	\$4,779,557	\$65,685
Undistributed (distributions in excess of) net investment income	\$ (836)	\$ (2)	\$ (2,964)	\$ (2,127)	\$ 175

*Not shown due to rounding.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Money Market Fund		Ivy Municipal Bond Fund		Ivy Municipal High Income Fund	
	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 35	\$ 40	\$ 3,934	\$ 4,181	\$ 55,977	\$ 59,583
Net realized gain (loss) on investments	2	1	(1,710)	(424)	(671)	(12,537)
Net change in unrealized appreciation (depreciation)	—	—	5,815	(6,418)	67,300	(116,421)
Net Increase (Decrease) in Net Assets Resulting from Operations	37	41	8,039	(2,661)	122,606	(69,375)
Distributions to Shareholders From:						
Net investment income:						
Class A	(25)	(30)	(3,340)	(3,509)	(16,273)	(19,572)
Class B	(1)	(1)	(44)	(60)	(539)	(616)
Class C	(8)	(8)	(405)	(508)	(8,385)	(9,791)
Class E	(1)	(1)	N/A	N/A	N/A	N/A
Class I	N/A	N/A	(88)	(58)	(29,085)	(28,622)
Class Y	N/A	N/A	(16)	(17)	(941)	(1,059)
Net realized gains:						
Class A	—	—	—	—	—	(1,250)
Class B	—	—	—	—	—	(50)
Class C	—	—	—	—	—	(748)
Class E	—	—	N/A	N/A	N/A	N/A
Class I	N/A	N/A	—	—	—	(1,808)
Class Y	N/A	N/A	—	—	—	(60)
Total Distributions to Shareholders	(35)	(40)	(3,893)	(4,152)	(55,223)	(63,576)
Capital Share Transactions	(23,125)	7,597	36,930	(25,009)	89,149	(339,561)
Net Increase (Decrease) in Net Assets	(23,123)	7,598	41,076	(31,822)	156,532	(472,512)
Net Assets, Beginning of Period	183,755	176,157	139,098	170,920	1,197,664	1,670,176
Net Assets, End of Period	\$160,632	\$183,755	\$180,174	\$139,098	\$1,354,196	\$1,197,664
Undistributed net investment income	\$ —	\$ —	\$ 111	\$ 70	\$ 2,536	\$ 1,782

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

	Ivy Small Cap Growth Fund		Ivy Small Cap Value Fund		Ivy Tax-Managed Equity Fund	
(In thousands)	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment loss	\$ (9,199)	\$ (11,921)	\$ (593)	\$ (1,826)	\$ (100)	\$ (120)
Net realized gain on investments	80,622	121,849	39,504	40,510	2,720	1,676
Net change in unrealized appreciation (depreciation)	10,673	119,148	(22,143)	16,893	6,595	5,924
Net Increase in Net Assets Resulting from Operations	82,096	229,076	16,768	55,577	9,215	7,480
Distributions to Shareholders From:						
Net investment income:						
Class A	—	—	—	(878)	—	—
Class B	—	—	—	(5)	—	—
Class C	—	—	—	(42)	—	—
Class E	—	—	—	—*	N/A	N/A
Class I	—	—	—	(122)	—	—
Class R	—	—	—	(2)	N/A	N/A
Class R6	—	N/A	—	N/A	N/A	N/A
Class Y	—	—	—	(34)	—	—
Net realized gains:						
Class A	(22,816)	(31,823)	(22,769)	(28,136)	(1,288)	(1,039)
Class B	(820)	(1,237)	(355)	(479)	(31)	(24)
Class C	(14,455)	(20,164)	(1,865)	(2,297)	(53)	(40)
Class E	(338)	(372)	(14)	(15)	N/A	N/A
Class I	(11,560)	(17,576)	(3,369)	(2,928)	(46)	(39)
Class R	(2,725)	(3,187)	(191)	(71)	N/A	N/A
Class R6	(1,117)	N/A	(308)	N/A	N/A	N/A
Class Y	(13,860)	(20,217)	(638)	(1,011)	(19)	(19)
Total Distributions to Shareholders	(67,691)	(94,576)	(29,509)	(36,020)	(1,437)	(1,161)
Capital Share Transactions	(75,929)	176,336	13,297	13,372	26,771	9,998
Net Increase (Decrease) in Net Assets	(61,524)	310,836	556	32,929	34,549	16,317
Net Assets, Beginning of Period	1,212,815	901,979	304,460	271,531	44,665	28,348
Net Assets, End of Period	\$1,151,291	\$1,212,815	\$305,016	\$304,460	\$79,214	\$44,665
Undistributed (distributions in excess of) net investment income	\$ (84)	\$ (182)	\$ 2,622	\$ 1,024	\$ —	\$ (35)

*Not shown due to rounding.

STATEMENTS OF CHANGES IN NET ASSETS

Ivy Funds

(In thousands)	Ivy Value Fund	
	Year ended 3-31-15	Year ended 3-31-14
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income	\$ 1,420	\$ 554
Net realized gain on investments	27,309	18,062
Net change in unrealized appreciation (depreciation)	(13,125)	27,148
Net Increase in Net Assets Resulting from Operations	15,604	45,764
Distributions to Shareholders From:		
Net investment income:		
Class A	(647)	(382)
Class B	—	—
Class C	—	—
Class E	(1)	—*
Class I	(107)	(22)
Class R	—*	—*
Class R6	(2)	N/A
Class Y	(25)	(5)
Net realized gains:		
Class A	(20,381)	(8,840)
Class B	(343)	(214)
Class C	(1,447)	(508)
Class E	(11)	(5)
Class I	(1,679)	(181)
Class R	(25)	(13)
Class R6	(37)	N/A
Class Y	(642)	(75)
Total Distributions to Shareholders	(25,347)	(10,245)
Capital Share Transactions	74,526	64,074
Net Increase in Net Assets	64,783	99,593
Net Assets, Beginning of Period	275,705	176,112
Net Assets, End of Period	\$340,488	\$275,705
Undistributed net investment income	\$ 4,403	\$ 2,963

*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY BOND FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$10.46	\$0.23	\$ 0.35	\$ 0.58	\$(0.26)	\$ —	\$(0.26)
Year ended 3-31-2014	10.71	0.24	(0.19)	0.05	(0.30)	—	(0.30)
Year ended 3-31-2013	10.44	0.26	0.39	0.65	(0.31)	(0.07)	(0.38)
Year ended 3-31-2012	10.10	0.17	0.51	0.68	(0.34)	—	(0.34)
Year ended 3-31-2011	9.82	0.29	0.40	0.69	(0.32)	(0.09)	(0.41)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	10.46	0.13	0.35	0.48	(0.16)	—	(0.16)
Year ended 3-31-2014	10.71	0.15	(0.20)	(0.05)	(0.20)	—	(0.20)
Year ended 3-31-2013	10.44	0.15	0.40	0.55	(0.21)	(0.07)	(0.28)
Year ended 3-31-2012	10.10	0.06	0.51	0.57	(0.23)	—	(0.23)
Year ended 3-31-2011	9.82	0.18	0.40	0.58	(0.21)	(0.09)	(0.30)
Class C Shares							
Year ended 3-31-2015	10.46	0.15	0.35	0.50	(0.18)	—	(0.18)
Year ended 3-31-2014	10.71	0.17	(0.21)	(0.04)	(0.21)	—	(0.21)
Year ended 3-31-2013	10.44	0.18	0.40	0.58	(0.24)	(0.07)	(0.31)
Year ended 3-31-2012	10.10	0.09	0.51	0.60	(0.26)	—	(0.26)
Year ended 3-31-2011	9.82	0.21	0.40	0.61	(0.24)	(0.09)	(0.33)
Class E Shares							
Year ended 3-31-2015	10.46	0.22	0.35	0.57	(0.25)	—	(0.25)
Year ended 3-31-2014	10.71	0.24	(0.20)	0.04	(0.29)	—	(0.29)
Year ended 3-31-2013	10.44	0.25	0.40	0.65	(0.31)	(0.07)	(0.38)
Year ended 3-31-2012	10.10	0.17	0.51	0.68	(0.34)	—	(0.34)
Year ended 3-31-2011	9.82	0.28	0.40	0.68	(0.31)	(0.09)	(0.40)
Class I Shares							
Year ended 3-31-2015	10.46	0.26	0.35	0.61	(0.29)	—	(0.29)
Year ended 3-31-2014	10.71	0.28	(0.20)	0.08	(0.33)	—	(0.33)
Year ended 3-31-2013	10.44	0.29	0.40	0.69	(0.35)	(0.07)	(0.42)
Year ended 3-31-2012	10.10	0.20	0.51	0.71	(0.37)	—	(0.37)
Year ended 3-31-2011	9.82	0.32	0.40	0.72	(0.35)	(0.09)	(0.44)
Class R Shares							
Year ended 3-31-2015	10.46	0.20	0.35	0.55	(0.23)	—	(0.23)
Year ended 3-31-2014	10.71	0.21	(0.19)	0.02	(0.27)	—	(0.27)
Year ended 3-31-2013 ⁽⁵⁾	10.69	0.02	0.08	0.10	(0.08)	—	(0.08)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	10.58	0.18	0.22	0.40	(0.20)	—	(0.20)
Class Y Shares							
Year ended 3-31-2015	10.46	0.23	0.35	0.58	(0.26)	—	(0.26)
Year ended 3-31-2014	10.71	0.25	(0.20)	0.05	(0.30)	—	(0.30)
Year ended 3-31-2013	10.44	0.26	0.40	0.66	(0.32)	(0.07)	(0.39)
Year ended 3-31-2012	10.10	0.18	0.51	0.69	(0.35)	—	(0.35)
Year ended 3-31-2011	9.82	0.30	0.40	0.70	(0.33)	(0.09)	(0.42)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$10.78	5.58%	\$695	1.02%	2.17%	—%	—%	182%
Year ended 3-31-2014	10.46	0.48	561	1.04	2.35	—	—	202
Year ended 3-31-2013	10.71	6.33	554	1.06	2.42	—	—	269
Year ended 3-31-2012	10.44	6.83	437	1.11	1.68	—	—	309
Year ended 3-31-2011	10.10	7.08	333	1.14	2.97	—	—	432
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	10.78	4.56	6	2.00	1.19	—	—	182
Year ended 3-31-2014	10.46	-0.45	7	1.98	1.45	—	—	202
Year ended 3-31-2013	10.71	5.28	11	2.05	1.41	—	—	269
Year ended 3-31-2012	10.44	5.68	10	2.19	0.61	—	—	309
Year ended 3-31-2011	10.10	5.94	9	2.22	1.87	2.23	1.86	432
Class C Shares								
Year ended 3-31-2015	10.78	4.76	28	1.80	1.38	—	—	182
Year ended 3-31-2014	10.46	-0.31	21	1.82	1.61	—	—	202
Year ended 3-31-2013	10.71	5.55	39	1.79	1.67	—	—	269
Year ended 3-31-2012	10.44	6.03	40	1.84	0.92	—	—	309
Year ended 3-31-2011	10.10	6.31	26	1.85	2.16	—	—	432
Class E Shares								
Year ended 3-31-2015	10.78	5.45	4	1.14	2.05	1.35	1.84	182
Year ended 3-31-2014	10.46	0.38	4	1.14	2.26	1.35	2.05	202
Year ended 3-31-2013	10.71	6.25	5	1.14	2.33	1.35	2.12	269
Year ended 3-31-2012	10.44	6.79	4	1.14	1.66	1.42	1.38	309
Year ended 3-31-2011	10.10	7.01	3	1.19	2.87	1.47	2.59	432
Class I Shares								
Year ended 3-31-2015	10.78	5.90	7	0.74	2.44	—	—	182
Year ended 3-31-2014	10.46	0.77	4	0.76	2.65	—	—	202
Year ended 3-31-2013	10.71	6.67	6	0.76	2.68	—	—	269
Year ended 3-31-2012	10.44	7.19	4	0.77	1.96	—	—	309
Year ended 3-31-2011	10.10	7.43	1	0.80	3.34	—	—	432
Class R Shares								
Year ended 3-31-2015	10.78	5.27	—*	1.32	1.87	—	—	182
Year ended 3-31-2014	10.46	0.18	—*	1.35	2.04	—	—	202
Year ended 3-31-2013 ⁽⁵⁾	10.71	0.96	—*	1.30 ⁽⁶⁾	0.82 ⁽⁶⁾	—	—	269 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	10.78	3.81	1	0.58 ⁽⁶⁾	2.54 ⁽⁶⁾	—	—	182 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	10.78	5.62	3	0.99	2.20	—	—	182
Year ended 3-31-2014	10.46	0.51	3	1.00	2.42	—	—	202
Year ended 3-31-2013	10.71	6.39	5	1.00	2.49	—	—	269
Year ended 3-31-2012	10.44	6.91	8	1.03	1.78	—	—	309
Year ended 3-31-2011	10.10	7.17	7	1.05	3.00	—	—	432

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY CORE EQUITY FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Distributions From Return of Capital	Total Distributions
Class A Shares								
Year ended 3-31-2015	\$14.04	\$ 0.02	\$1.33	\$1.35	\$ —	\$(1.10)	\$—	\$(1.10)
Year ended 3-31-2014	12.15	0.05	2.67	2.72	(0.04)	(0.79)	—	(0.83)
Year ended 3-31-2013	10.91	0.04	1.33	1.37	(0.05)	(0.08)	—	(0.13)
Year ended 3-31-2012	10.68	0.02	0.58	0.60	—	(0.37)	—	(0.37)
Year ended 3-31-2011	8.91	(0.01)	1.95	1.94	—	(0.17)	—	(0.17)
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	12.32	(0.10)	1.16	1.06	—	(1.02)	—	(1.02)
Year ended 3-31-2014	10.78	(0.07)	2.36	2.29	—	(0.75)	—	(0.75)
Year ended 3-31-2013	9.75	(0.07)	1.18	1.11	—	(0.08)	—	(0.08)
Year ended 3-31-2012	9.59	(0.08)	0.52	0.44	—	(0.28)	—	(0.28)
Year ended 3-31-2011	8.10	(0.10)	1.76	1.66	—	(0.17)	—	(0.17)
Class C Shares								
Year ended 3-31-2015	12.63	(0.08)	1.19	1.11	—	(1.03)	—	(1.03)
Year ended 3-31-2014	11.03	(0.05)	2.41	2.36	—	(0.76)	—	(0.76)
Year ended 3-31-2013	9.95	(0.04)	1.20	1.16	—	(0.08)	—	(0.08)
Year ended 3-31-2012	9.77	(0.06)	0.55	0.49	—	(0.31)	—	(0.31)
Year ended 3-31-2011	8.23	(0.07)	1.78	1.71	—	(0.17)	—	(0.17)
Class E Shares								
Year ended 3-31-2015	14.00	(0.01)	1.32	1.31	—	(1.08)	—	(1.08)
Year ended 3-31-2014	12.12	0.02	2.67	2.69	(0.02)	(0.79)	—	(0.81)
Year ended 3-31-2013	10.89	0.03	1.32	1.35	(0.04)	(0.08)	—	(0.12)
Year ended 3-31-2012	10.67	0.01	0.59	0.60	—	(0.38)	—	(0.38)
Year ended 3-31-2011	8.90	0.00	1.94	1.94	—	(0.17)	—	(0.17)
Class I Shares								
Year ended 3-31-2015	15.29	0.07	1.45	1.52	(0.03)	(1.11)	—	(1.14)
Year ended 3-31-2014	13.15	0.09	2.91	3.00	(0.07)	(0.79)	—	(0.86)
Year ended 3-31-2013	11.78	0.08	1.44	1.52	(0.07)	(0.08)	—	(0.15)
Year ended 3-31-2012	11.50	0.05	0.64	0.69	—	(0.41)	—	(0.41)
Year ended 3-31-2011	9.55	0.03	2.09	2.12	—	(0.17)	—	(0.17)
Class R Shares								
Year ended 3-31-2015	14.01	(0.03)	1.31	1.28	—	(1.06)	—	(1.06)
Year ended 3-31-2014	12.13	0.01	2.67	2.68	(0.01)	(0.79)	—	(0.80)
Year ended 3-31-2013 ⁽⁵⁾	11.15	0.00	0.98	0.98	—	—	—	—
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	15.69	0.06	1.06	1.12	(0.01)	(1.11)	—	(1.12)
Class Y Shares								
Year ended 3-31-2015	14.94	0.07	1.42	1.49	(0.03)	(1.11)	—	(1.14)
Year ended 3-31-2014	12.87	0.09	2.84	2.93	(0.07)	(0.79)	—	(0.86)
Year ended 3-31-2013	11.54	0.06	1.40	1.46	(0.05)	(0.08)	—	(0.13)
Year ended 3-31-2012	11.27	0.03	0.63	0.66	—	(0.39)	—	(0.39)
Year ended 3-31-2011	9.39	0.01	2.04	2.05	—	(0.17)	—	(0.17)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$14.29	9.86%	\$611	1.15%	0.13%	1.17%	0.11%	65%
Year ended 3-31-2014	14.04	22.76	499	1.15	0.35	1.20	0.30	61
Year ended 3-31-2013	12.15	12.66	320	1.23	0.35	1.26	0.32	60
Year ended 3-31-2012	10.91	6.16	196	1.30	0.15	—	—	65
Year ended 3-31-2011	10.68	21.99	139	1.40	-0.10	—	—	107
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	12.36	8.80	11	2.08	-0.79	—	—	65
Year ended 3-31-2014	12.32	21.62	11	2.12	-0.62	—	—	61
Year ended 3-31-2013	10.78	11.49	10	2.24	-0.68	—	—	60
Year ended 3-31-2012	9.75	5.05	5	2.36	-0.89	—	—	65
Year ended 3-31-2011	9.59	20.73	5	2.46	-1.19	—	—	107
Class C Shares								
Year ended 3-31-2015	12.71	9.04	160	1.90	-0.62	—	—	65
Year ended 3-31-2014	12.63	21.79	144	1.94	-0.44	—	—	61
Year ended 3-31-2013	11.03	11.76	115	2.02	-0.43	—	—	60
Year ended 3-31-2012	9.95	5.46	99	2.08	-0.61	—	—	65
Year ended 3-31-2011	9.77	21.01	105	2.15	-0.87	—	—	107
Class E Shares								
Year ended 3-31-2015	14.23	9.60	10	1.35	-0.06	1.43	-0.14	65
Year ended 3-31-2014	14.00	22.57	7	1.35	0.15	1.51	-0.01	61
Year ended 3-31-2013	12.12	12.53	4	1.35	0.25	1.61	-0.01	60
Year ended 3-31-2012	10.89	6.13	3	1.35	0.10	1.72	-0.27	65
Year ended 3-31-2011	10.67	22.02	2	1.35	-0.05	1.92	-0.62	107
Class I Shares								
Year ended 3-31-2015	15.67	10.14	234	0.84	0.45	0.90	0.39	65
Year ended 3-31-2014	15.29	23.18	153	0.84	0.63	0.91	0.56	61
Year ended 3-31-2013	13.15	13.08	60	0.91	0.69	0.93	0.67	60
Year ended 3-31-2012	11.78	6.57	28	0.94	0.47	—	—	65
Year ended 3-31-2011	11.50	22.41	5	0.99	0.33	—	—	107
Class R Shares								
Year ended 3-31-2015	14.23	9.40	2	1.50	-0.22	—	—	65
Year ended 3-31-2014	14.01	22.41	2	1.50	0.04	—	—	61
Year ended 3-31-2013 ⁽⁵⁾	12.13	8.79	—*	1.50 ⁽⁶⁾	-0.13 ⁽⁶⁾	—	—	60 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	15.69	7.39	4	0.75 ⁽⁶⁾	0.60 ⁽⁶⁾	—	—	65 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	15.29	10.18	105	0.84	0.45	1.15	0.14	65
Year ended 3-31-2014	14.94	23.14	68	0.84	0.64	1.16	0.32	61
Year ended 3-31-2013	12.87	12.82	27	1.09	0.48	1.18	0.40	60
Year ended 3-31-2012	11.54	6.35	18	1.20	0.27	—	—	65
Year ended 3-31-2011	11.27	22.04	11	1.24	0.06	—	—	107

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY CUNDILL GLOBAL VALUE FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Distributions From Return of Capital	Total Distributions
Class A Shares								
Year ended 3-31-2015	\$17.96	\$ 0.04	\$(1.48)	\$(1.44)	\$ —	\$—	\$—	\$ —
Year ended 3-31-2014	14.68	(0.03)	3.32	3.29	(0.01)	—	—	(0.01)
Year ended 3-31-2013	13.44	0.01	1.23	1.24	—	—	—	—
Year ended 3-31-2012	14.00	0.02	(0.57)	(0.55)	(0.01)	—	—	(0.01)
Year ended 3-31-2011	12.63	0.03	1.34	1.37	—	—	—	—
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	16.72	(0.15)	(1.37)	(1.52)	—	—	—	—
Year ended 3-31-2014	13.81	(0.19)	3.10	2.91	—	—	—	—
Year ended 3-31-2013	12.78	(0.11)	1.14	1.03	—	—	—	—
Year ended 3-31-2012	13.43	(0.09)	(0.56)	(0.65)	—	—	—	—
Year ended 3-31-2011	12.22	(0.07)	1.28	1.21	—	—	—	—
Class C Shares								
Year ended 3-31-2015	17.03	(0.07)	(1.40)	(1.47)	—	—	—	—
Year ended 3-31-2014	13.99	(0.12)	3.16	3.04	—	—	—	—
Year ended 3-31-2013	12.88	(0.05)	1.16	1.11	—	—	—	—
Year ended 3-31-2012	13.48	(0.05)	(0.55)	(0.60)	—	—	—	—
Year ended 3-31-2011	12.23	(0.03)	1.28	1.25	—	—	—	—
Class E Shares								
Year ended 3-31-2015	18.05	0.04	(1.49)	(1.45)	—	—	—	—
Year ended 3-31-2014	14.78	(0.03)	3.34	3.31	(0.04)	—	—	(0.04)
Year ended 3-31-2013	13.49	0.04	1.25	1.29	—	—	—	—
Year ended 3-31-2012	14.04	0.05	(0.57)	(0.52)	(0.03)	—	—	(0.03)
Year ended 3-31-2011	12.64	0.06	1.34	1.40	—	—	—	—
Class I Shares								
Year ended 3-31-2015	18.33	0.12	(1.51)	(1.39)	—	—	—	—
Year ended 3-31-2014	14.98	0.05	3.39	3.44	(0.09)	—	—	(0.09)
Year ended 3-31-2013	13.64	0.09	1.25	1.34	—	—	—	—
Year ended 3-31-2012	14.23	0.10	(0.59)	(0.49)	(0.10)	—	—	(0.10)
Year ended 3-31-2011	12.76	0.11	1.36	1.47	—	—	—	—
Class R Shares								
Year ended 3-31-2015	17.94	0.02	(1.49)	(1.47)	—	—	—	—
Year ended 3-31-2014	14.68	(0.05)	3.32	3.27	(0.01)	—	—	(0.01)
Year ended 3-31-2013 ⁽⁵⁾	13.62	(0.01)	1.07	1.06	—	—	—	—
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	18.57	0.08	(1.70)	(1.62)	—	—	—	—
Class Y Shares								
Year ended 3-31-2015	18.20	0.07	(1.50)	(1.43)	—	—	—	—
Year ended 3-31-2014	14.86	(0.01)	3.39	3.38	(0.04)	—	—	(0.04)
Year ended 3-31-2013	13.56	0.09	1.21	1.30	—	—	—	—
Year ended 3-31-2012	14.15	0.11	(0.59)	(0.48)	(0.11)	—	—	(0.11)
Year ended 3-31-2011	12.69	0.11	1.35	1.46	—	—	—	—

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$16.52	-8.02%	\$288	1.56%	0.24%	1.70%	0.10%	28%
Year ended 3-31-2014	17.96	22.41	332	1.61	-0.20	1.75	-0.34	47
Year ended 3-31-2013	14.68	9.23	196	1.86	0.05	1.91	—	26
Year ended 3-31-2012	13.44	-3.93	200	1.86	0.16	—	—	38
Year ended 3-31-2011	14.00	10.85	250	1.83	0.27	—	—	46
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	15.20	-9.09	2	2.73	-0.91	2.87	-1.05	28
Year ended 3-31-2014	16.72	21.07	4	2.72	-1.23	2.86	-1.37	47
Year ended 3-31-2013	13.81	8.06	6	2.94	-0.92	2.99	-0.97	26
Year ended 3-31-2012	12.78	-4.84	10	2.81	-0.76	—	—	38
Year ended 3-31-2011	13.43	9.90	16	2.74	-0.61	—	—	46
Class C Shares								
Year ended 3-31-2015	15.56	-8.63	19	2.19	-0.39	2.33	-0.53	28
Year ended 3-31-2014	17.03	21.73	24	2.22	-0.78	2.36	-0.92	47
Year ended 3-31-2013	13.99	8.62	21	2.39	-0.44	2.44	-0.49	26
Year ended 3-31-2012	12.88	-4.45	26	2.42	-0.39	—	—	38
Year ended 3-31-2011	13.48	10.22	36	2.41	-0.28	—	—	46
Class E Shares								
Year ended 3-31-2015	16.60	-8.03	1	1.59	0.21	2.00	-0.20	28
Year ended 3-31-2014	18.05	22.43	1	1.59	-0.17	2.08	-0.65	47
Year ended 3-31-2013	14.78	9.56	1	1.59	0.28	2.35	-0.48	26
Year ended 3-31-2012	13.49	-3.66	1	1.59	0.42	2.36	-0.35	38
Year ended 3-31-2011	14.04	11.08	1	1.59	0.46	2.37	-0.32	46
Class I Shares								
Year ended 3-31-2015	16.94	-7.58	5	1.12	0.64	1.26	0.50	28
Year ended 3-31-2014	18.33	22.98	7	1.14	0.27	1.28	0.13	47
Year ended 3-31-2013	14.98	9.82	4	1.24	0.70	1.29	0.65	26
Year ended 3-31-2012	13.64	-3.32	5	1.27	0.75	—	—	38
Year ended 3-31-2011	14.23	11.52	6	1.28	0.85	—	—	46
Class R Shares								
Year ended 3-31-2015	16.47	-8.19	—*	1.72	0.09	1.86	-0.05	28
Year ended 3-31-2014	17.94	22.30	—*	1.72	-0.28	1.86	-0.42	47
Year ended 3-31-2013 ⁽⁵⁾	14.68	7.78	—*	1.66 ⁽⁶⁾	-0.37 ⁽⁶⁾	1.71 ⁽⁶⁾	-0.42 ⁽⁶⁾	26 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	16.95	-8.72	1	0.95 ⁽⁶⁾	0.72 ⁽⁶⁾	1.09 ⁽⁶⁾	0.58 ⁽⁶⁾	28 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	16.77	-7.86	3	1.38	0.41	1.52	0.27	28
Year ended 3-31-2014	18.20	22.76	4	1.35	-0.04	1.49	-0.18	47
Year ended 3-31-2013	14.86	9.59	4	1.47	0.74	1.63	0.58	26
Year ended 3-31-2012	13.56	-3.24	13	1.20	0.85	1.54	0.51	38
Year ended 3-31-2011	14.15	11.51	20	1.20	0.85	1.54	0.51	46

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY DIVIDEND OPPORTUNITIES FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$20.27	\$0.22	\$ 1.39	\$ 1.61	\$(0.22)	\$(2.11)	\$(2.33)
Year ended 3-31-2014	17.20	0.19	3.33	3.52	(0.16)	(0.29)	(0.45)
Year ended 3-31-2013	15.70	0.23	1.48	1.71	(0.21)	—	(0.21)
Year ended 3-31-2012	16.14	0.18	(0.44)	(0.26)	(0.18)	—	(0.18)
Year ended 3-31-2011	13.61	0.13	2.55	2.68	(0.15)	—	(0.15)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	19.97	0.06	1.37	1.43	(0.07)	(2.11)	(2.18)
Year ended 3-31-2014	16.99	0.05	3.27	3.32	(0.05)	(0.29)	(0.34)
Year ended 3-31-2013	15.54	0.09	1.48	1.57	(0.12)	—	(0.12)
Year ended 3-31-2012	15.98	0.04	(0.43)	(0.39)	(0.05)	—	(0.05)
Year ended 3-31-2011	13.49	0.00	2.52	2.52	(0.03)	—	(0.03)
Class C Shares							
Year ended 3-31-2015	20.05	0.08	1.38	1.46	(0.09)	(2.11)	(2.20)
Year ended 3-31-2014	17.05	0.07	3.29	3.36	(0.07)	(0.29)	(0.36)
Year ended 3-31-2013	15.59	0.11	1.49	1.60	(0.14)	—	(0.14)
Year ended 3-31-2012	16.03	0.07	(0.43)	(0.36)	(0.08)	—	(0.08)
Year ended 3-31-2011	13.53	0.03	2.54	2.57	(0.07)	—	(0.07)
Class E Shares							
Year ended 3-31-2015	20.21	0.19	1.39	1.58	(0.20)	(2.11)	(2.31)
Year ended 3-31-2014	17.16	0.17	3.32	3.49	(0.15)	(0.29)	(0.44)
Year ended 3-31-2013	15.66	0.21	1.49	1.70	(0.20)	—	(0.20)
Year ended 3-31-2012	16.10	0.17	(0.44)	(0.27)	(0.17)	—	(0.17)
Year ended 3-31-2011	13.58	0.13	2.54	2.67	(0.15)	—	(0.15)
Class I Shares							
Year ended 3-31-2015	20.33	0.28	1.40	1.68	(0.29)	(2.11)	(2.40)
Year ended 3-31-2014	17.25	0.26	3.33	3.59	(0.22)	(0.29)	(0.51)
Year ended 3-31-2013	15.73	0.28	1.49	1.77	(0.25)	—	(0.25)
Year ended 3-31-2012	16.17	0.24	(0.45)	(0.21)	(0.23)	—	(0.23)
Year ended 3-31-2011	13.63	0.18	2.56	2.74	(0.20)	—	(0.20)
Class R Shares							
Year ended 3-31-2015	20.25	0.16	1.40	1.56	(0.17)	(2.11)	(2.28)
Year ended 3-31-2014	17.19	0.14	3.33	3.47	(0.12)	(0.29)	(0.41)
Year ended 3-31-2013 ⁽⁵⁾	15.79	0.01	1.39	1.40	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	20.64	0.20	1.15	1.35	(0.24)	(2.11)	(2.35)
Class Y Shares							
Year ended 3-31-2015	20.30	0.23	1.40	1.63	(0.24)	(2.11)	(2.35)
Year ended 3-31-2014	17.23	0.21	3.33	3.54	(0.18)	(0.29)	(0.47)
Year ended 3-31-2013	15.72	0.24	1.50	1.74	(0.23)	—	(0.23)
Year ended 3-31-2012	16.16	0.19	(0.44)	(0.25)	(0.19)	—	(0.19)
Year ended 3-31-2011	13.63	0.15	2.55	2.70	(0.17)	—	(0.17)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$19.55	8.19%	\$322	1.24%	1.07%	—%	—%	48%
Year ended 3-31-2014	20.27	20.70	291	1.27	1.03	—	—	43
Year ended 3-31-2013	17.20	11.06	246	1.28	1.43	—	—	45
Year ended 3-31-2012	15.70	-1.54	261	1.29	1.21	—	—	37
Year ended 3-31-2011	16.14	19.85	252	1.33	0.94	—	—	45
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	19.22	7.33	12	2.01	0.30	—	—	48
Year ended 3-31-2014	19.97	19.70	13	2.05	0.25	—	—	43
Year ended 3-31-2013	16.99	10.10	11	2.13	0.60	—	—	45
Year ended 3-31-2012	15.54	-2.35	15	2.18	0.30	—	—	37
Year ended 3-31-2011	15.98	18.69	16	2.25	0.02	—	—	45
Class C Shares								
Year ended 3-31-2015	19.31	7.46	54	1.91	0.40	—	—	48
Year ended 3-31-2014	20.05	19.85	47	1.93	0.37	—	—	43
Year ended 3-31-2013	17.05	10.32	39	1.97	0.73	—	—	45
Year ended 3-31-2012	15.59	-2.23	43	2.00	0.48	—	—	37
Year ended 3-31-2011	16.03	19.07	50	2.02	0.24	—	—	45
Class E Shares								
Year ended 3-31-2015	19.48	8.01	5	1.37	0.94	1.58	0.73	48
Year ended 3-31-2014	20.21	20.52	4	1.37	0.93	1.66	0.64	43
Year ended 3-31-2013	17.16	11.00	4	1.36	1.31	1.80	0.87	45
Year ended 3-31-2012	15.66	-1.61	3	1.37	1.14	1.92	0.59	37
Year ended 3-31-2011	16.10	19.80	3	1.37	0.89	2.03	0.23	45
Class I Shares								
Year ended 3-31-2015	19.61	8.50	23	0.93	1.38	—	—	48
Year ended 3-31-2014	20.33	21.06	19	0.94	1.36	—	—	43
Year ended 3-31-2013	17.25	11.45	15	0.93	1.74	—	—	45
Year ended 3-31-2012	15.73	-1.18	14	0.94	1.60	—	—	37
Year ended 3-31-2011	16.17	20.32	7	0.97	1.31	—	—	45
Class R Shares								
Year ended 3-31-2015	19.53	7.90	—*	1.52	0.80	—	—	48
Year ended 3-31-2014	20.25	20.29	—*	1.54	0.76	—	—	43
Year ended 3-31-2013 ⁽⁵⁾	17.19	8.93	—*	1.51 ⁽⁶⁾	0.23 ⁽⁶⁾	—	—	45 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	19.64	6.76	—*	0.79 ⁽⁶⁾	1.46 ⁽⁶⁾	—	—	48 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	19.58	8.25	10	1.18	1.13	—	—	48
Year ended 3-31-2014	20.30	20.74	11	1.19	1.11	—	—	43
Year ended 3-31-2013	17.23	11.19	12	1.18	1.51	—	—	45
Year ended 3-31-2012	15.72	-1.43	15	1.19	1.27	—	—	37
Year ended 3-31-2011	16.16	19.99	18	1.21	1.05	—	—	45

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY EMERGING MARKETS EQUITY FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$15.04	\$ 0.04	\$ 1.08	\$ 1.12	\$(0.12)	\$ —	\$(0.12)
Year ended 3-31-2014	13.88	0.02	1.22	1.24	(0.08)	—	(0.08)
Year ended 3-31-2013	13.98	0.03	(0.03)	0.00	(0.10)	—	(0.10)
Year ended 3-31-2012	16.94	0.01	(2.39)	(2.38)	(0.06)	(0.52)	(0.58)
Year ended 3-31-2011	14.84	(0.01)	2.11	2.10	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	12.66	(0.10)	0.92	0.82	—	—	—
Year ended 3-31-2014	11.78	(0.12)	1.00	0.88	—	—	—
Year ended 3-31-2013	11.92	(0.10)	(0.04)	(0.14)	—*	—	—*
Year ended 3-31-2012	14.64	(0.13)	(2.07)	(2.20)	—	(0.52)	(0.52)
Year ended 3-31-2011	12.97	(0.15)	1.82	1.67	—	—	—
Class C Shares							
Year ended 3-31-2015	13.20	(0.09)	0.95	0.86	(0.01)	—	(0.01)
Year ended 3-31-2014	12.23	(0.07)	1.06	0.99	(0.02)	—	(0.02)
Year ended 3-31-2013	12.36	(0.06)	(0.03)	(0.09)	(0.04)	—	(0.04)
Year ended 3-31-2012	15.10	(0.08)	(2.14)	(2.22)	—	(0.52)	(0.52)
Year ended 3-31-2011	13.33	(0.10)	1.87	1.77	—	—	—
Class E Shares⁽⁵⁾							
Year ended 3-31-2015	15.23	0.05	1.10	1.15	(0.15)	—	(0.15)
Year ended 3-31-2014	14.04	0.06	1.25	1.31	(0.12)	—	(0.12)
Year ended 3-31-2013	14.12	0.09	(0.03)	0.06	(0.14)	—	(0.14)
Year ended 3-31-2012	17.15	0.06	(2.41)	(2.35)	(0.16)	(0.52)	(0.68)
Year ended 3-31-2011	14.98	0.05	2.12	2.17	—	—	—
Class I Shares							
Year ended 3-31-2015	15.43	0.08	1.11	1.19	(0.17)	—	(0.17)
Year ended 3-31-2014	14.23	0.09	1.26	1.35	(0.15)	—	(0.15)
Year ended 3-31-2013	14.30	0.10	(0.02)	0.08	(0.15)	—	(0.15)
Year ended 3-31-2012	17.39	0.08	(2.46)	(2.38)	(0.19)	(0.52)	(0.71)
Year ended 3-31-2011	15.16	0.05	2.18	2.23	—	—	—
Class R Shares							
Year ended 3-31-2015	15.02	(0.02)	1.09	1.07	(0.08)	—	(0.08)
Year ended 3-31-2014	13.87	(0.01)	1.23	1.22	(0.07)	—	(0.07)
Year ended 3-31-2013 ⁽⁶⁾	14.07	(0.04)	(0.16)	(0.20)	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁸⁾	16.41	(0.03)	0.26	0.23	(0.14)	—	(0.14)
Class Y Shares							
Year ended 3-31-2015	15.33	0.03	1.10	1.13	(0.13)	—	(0.13)
Year ended 3-31-2014	14.13	0.05	1.26	1.31	(0.11)	—	(0.11)
Year ended 3-31-2013	14.22	0.09	(0.05)	0.04	(0.13)	—	(0.13)
Year ended 3-31-2012	17.25	0.05	(2.44)	(2.39)	(0.12)	(0.52)	(0.64)
Year ended 3-31-2011	15.08	0.03	2.14	2.17	—	—	—

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class share is closed to investment.

(6) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(7) Annualized.

(8) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(10) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$16.04	7.48%	\$436	1.50%	0.23%	1.67%	0.06%	103%
Year ended 3-31-2014	15.04	8.95	536	1.73	0.17	—	—	138
Year ended 3-31-2013	13.88	-0.02	491	1.74	0.25	—	—	142
Year ended 3-31-2012	13.98	-13.71	504	1.75	0.04	—	—	97
Year ended 3-31-2011	16.94	14.15	600	1.72	-0.07	—	—	137
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	13.48	6.48	7	2.50	-0.75	2.71	-0.96	103
Year ended 3-31-2014	12.66	7.47	9	3.00	-1.04	—	—	138
Year ended 3-31-2013	11.78	-1.13	8	2.94	-0.88	—	—	142
Year ended 3-31-2012	11.92	-14.69	10	2.88	-1.03	—	—	97
Year ended 3-31-2011	14.64	12.88	16	2.81	-1.07	—	—	137
Class C Shares								
Year ended 3-31-2015	14.05	6.56	35	2.40	-0.66	—	—	103
Year ended 3-31-2014	13.20	8.06	44	2.47	-0.59	—	—	138
Year ended 3-31-2013	12.23	-0.77	16	2.53	-0.48	—	—	142
Year ended 3-31-2012	12.36	-14.37	20	2.51	-0.63	—	—	97
Year ended 3-31-2011	15.10	13.28	32	2.46	-0.73	—	—	137
Class E Shares⁽⁵⁾								
Year ended 3-31-2015	16.23	7.63	—*	1.34	0.34	—	—	103
Year ended 3-31-2014	15.23	9.35	—*	1.35	0.44	—	—	138
Year ended 3-31-2013	14.04	0.40	—*	1.34	0.64	—	—	142
Year ended 3-31-2012	14.12	-13.32	—*	1.37	0.41	—	—	97
Year ended 3-31-2011	17.15	14.49	—*	1.36	0.30	—	—	137
Class I Shares								
Year ended 3-31-2015	16.45	7.78	117	1.23	0.49	—	—	103
Year ended 3-31-2014	15.43	9.52	139	1.22	0.62	—	—	138
Year ended 3-31-2013	14.23	0.55	147	1.22	0.69	—	—	142
Year ended 3-31-2012	14.30	-13.28	138	1.25	0.52	—	—	97
Year ended 3-31-2011	17.39	14.71	159	1.24	0.28	—	—	137
Class R Shares								
Year ended 3-31-2015	16.01	7.13	1	1.83	-0.16	—	—	103
Year ended 3-31-2014	15.02	8.75	1	1.83	-0.05	—	—	138
Year ended 3-31-2013 ⁽⁶⁾	13.87	-1.35	—*	1.80 ⁽⁷⁾	-1.09 ⁽⁷⁾	—	—	142 ⁽⁹⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁸⁾	16.50	1.47	6	1.08 ⁽⁷⁾	-0.30 ⁽⁷⁾	—	—	103 ⁽¹⁰⁾
Class Y Shares								
Year ended 3-31-2015	16.33	7.41	10	1.50	0.20	1.53	0.17	103
Year ended 3-31-2014	15.33	9.19	11	1.47	0.34	—	—	138
Year ended 3-31-2013	14.13	0.31	5	1.47	0.63	—	—	142
Year ended 3-31-2012	14.22	-13.48	6	1.50	0.30	—	—	97
Year ended 3-31-2011	17.25	14.39	9	1.50	0.22	—	—	137

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY EUROPEAN OPPORTUNITIES FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$29.76	\$ 0.17	\$(0.24)	\$(0.07)	\$(0.50)	\$—	\$(0.50)
Year ended 3-31-2014	24.70	0.32	4.82	5.14	(0.08)	—	(0.08)
Year ended 3-31-2013	22.89	0.07	1.83	1.90	(0.09)	—	(0.09)
Year ended 3-31-2012	24.61	0.07	(1.72)	(1.65)	(0.07)	—	(0.07)
Year ended 3-31-2011	21.44	(0.01)	3.24	3.23	(0.06)	—	(0.06)
Class B Shares⁽³⁾							
Year ended 3-31-2015	27.66	(0.14)	(0.22)	(0.36)	(0.09)	—	(0.09)
Year ended 3-31-2014	23.16	0.01	4.49	4.50	—	—	—
Year ended 3-31-2013	21.62	(0.15)	1.69	1.54	—	—	—
Year ended 3-31-2012	23.40	(0.13)	(1.65)	(1.78)	—	—	—
Year ended 3-31-2011	20.53	(0.21)	3.08	2.87	—*	—	—*
Class C Shares							
Year ended 3-31-2015	28.25	(0.02)	(0.21)	(0.23)	(0.29)	—	(0.29)
Year ended 3-31-2014	23.53	0.16	4.56	4.72	—	—	—
Year ended 3-31-2013	21.86	(0.06)	1.73	1.67	—	—	—
Year ended 3-31-2012	23.58	(0.06)	(1.66)	(1.72)	—	—	—
Year ended 3-31-2011	20.63	(0.14)	3.11	2.97	(0.02)	—	(0.02)
Class E Shares⁽⁴⁾							
Year ended 3-31-2015	29.93	0.27	(0.21)	0.06	(0.63)	—	(0.63)
Year ended 3-31-2014	24.84	0.44	4.85	5.29	(0.20)	—	(0.20)
Year ended 3-31-2013	23.02	0.18	1.84	2.02	(0.20)	—	(0.20)
Year ended 3-31-2012	24.76	0.18	(1.74)	(1.56)	(0.18)	—	(0.18)
Year ended 3-31-2011	21.48	0.09	3.28	3.37	(0.09)	—	(0.09)
Class I Shares							
Year ended 3-31-2015	29.97	0.32	(0.24)	0.08	(0.66)	—	(0.66)
Year ended 3-31-2014	24.87	0.48	4.85	5.33	(0.23)	—	(0.23)
Year ended 3-31-2013	23.04	0.26	1.81	2.07	(0.24)	—	(0.24)
Year ended 3-31-2012	24.82	0.21	(1.75)	(1.54)	(0.24)	—	(0.24)
Year ended 3-31-2011	21.51	0.12	3.29	3.41	(0.10)	—	(0.10)
Class R Shares							
Year ended 3-31-2015	29.75	0.12	(0.21)	(0.09)	(0.48)	—	(0.48)
Year ended 3-31-2014	24.70	0.31	4.82	5.13	(0.08)	—	(0.08)
Year ended 3-31-2013 ⁽⁵⁾	24.16	0.00	0.54	0.54	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	29.18	0.05	0.85	0.90	(0.57)	—	(0.57)
Class Y Shares							
Year ended 3-31-2015	29.95	0.17	(0.16)	0.01	(0.58)	—	(0.58)
Year ended 3-31-2014	24.86	0.44	4.81	5.25	(0.16)	—	(0.16)
Year ended 3-31-2013	23.04	0.15	1.85	2.00	(0.18)	—	(0.18)
Year ended 3-31-2012	24.75	0.17	(1.75)	(1.58)	(0.13)	—	(0.13)
Year ended 3-31-2011	21.50	0.09	3.24	3.33	(0.08)	—	(0.08)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(4) Class share is closed to investment.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Portfolio Turnover Rate
Class A Shares						
Year ended 3-31-2015	\$29.19	-0.13%	\$150	1.70%	0.57%	172%
Year ended 3-31-2014	29.76	20.83	163	1.76	1.17	116
Year ended 3-31-2013	24.70	8.31	162	1.81	0.32	71
Year ended 3-31-2012	22.89	-6.67	167	1.84	0.33	49
Year ended 3-31-2011	24.61	15.07	197	1.82	-0.07	66
Class B Shares⁽³⁾						
Year ended 3-31-2015	27.21	-1.27	2	2.90	-0.50	172
Year ended 3-31-2014	27.66	19.43	2	2.91	0.04	116
Year ended 3-31-2013	23.16	7.12	3	2.89	-0.68	71
Year ended 3-31-2012	21.62	-7.61	5	2.84	-0.63	49
Year ended 3-31-2011	23.40	13.99	8	2.81	-1.01	66
Class C Shares						
Year ended 3-31-2015	27.73	-0.75	10	2.35	-0.06	172
Year ended 3-31-2014	28.25	20.06	11	2.37	0.61	116
Year ended 3-31-2013	23.53	7.64	9	2.43	-0.26	71
Year ended 3-31-2012	21.86	-7.29	11	2.47	-0.26	49
Year ended 3-31-2011	23.58	14.41	15	2.46	-0.65	66
Class E Shares⁽⁴⁾						
Year ended 3-31-2015	29.36	0.30	—*	1.31	0.92	172
Year ended 3-31-2014	29.93	21.34	—*	1.33	1.62	116
Year ended 3-31-2013	24.84	8.83	—*	1.31	0.79	71
Year ended 3-31-2012	23.02	-6.18	—*	1.32	0.80	49
Year ended 3-31-2011	24.76	15.71	—*	1.32	0.40	66
Class I Shares						
Year ended 3-31-2015	29.39	0.38	27	1.21	1.09	172
Year ended 3-31-2014	29.97	21.50	31	1.19	1.76	116
Year ended 3-31-2013	24.87	8.96	37	1.18	1.13	71
Year ended 3-31-2012	23.04	-6.06	53	1.19	0.94	49
Year ended 3-31-2011	24.82	15.87	43	1.18	0.52	66
Class R Shares						
Year ended 3-31-2015	29.18	-0.21	—*	1.81	0.42	172
Year ended 3-31-2014	29.75	20.73	—*	1.79	1.15	116
Year ended 3-31-2013 ⁽⁵⁾	24.70	2.28	—*	1.74 ⁽⁶⁾	0.02 ⁽⁶⁾	71 ⁽⁸⁾
Class R6 Shares						
Year ended 3-31-2015 ⁽⁷⁾	29.51	3.20	2	1.08 ⁽⁶⁾	0.26 ⁽⁶⁾	172 ⁽⁹⁾
Class Y Shares						
Year ended 3-31-2015	29.38	0.15	2	1.47	0.58	172
Year ended 3-31-2014	29.95	21.17	3	1.46	1.57	116
Year ended 3-31-2013	24.86	8.71	1	1.42	0.66	71
Year ended 3-31-2012	23.04	-6.30	2	1.45	0.75	49
Year ended 3-31-2011	24.75	15.52	2	1.45	0.38	66

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL BOND FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$10.06	\$0.34	\$(0.49)	\$(0.15)	\$(0.32)	\$ —	\$(0.32)
Year ended 3-31-2014	10.26	0.35	(0.19)	0.16	(0.34)	(0.02)	(0.36)
Year ended 3-31-2013	10.20	0.40	0.11	0.51	(0.42)	(0.03)	(0.45)
Year ended 3-31-2012	10.35	0.39	(0.11)	0.28	(0.39)	(0.04)	(0.43)
Year ended 3-31-2011	10.30	0.36	0.08	0.44	(0.33)	(0.06)	(0.39)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	10.06	0.26	(0.49)	(0.23)	(0.25)	—	(0.25)
Year ended 3-31-2014	10.25	0.27	(0.18)	0.09	(0.26)	(0.02)	(0.28)
Year ended 3-31-2013	10.19	0.32	0.11	0.43	(0.34)	(0.03)	(0.37)
Year ended 3-31-2012	10.35	0.31	(0.12)	0.19	(0.31)	(0.04)	(0.35)
Year ended 3-31-2011	10.29	0.28	0.09	0.37	(0.25)	(0.06)	(0.31)
Class C Shares							
Year ended 3-31-2015	10.06	0.26	(0.48)	(0.22)	(0.25)	—	(0.25)
Year ended 3-31-2014	10.25	0.27	(0.18)	0.09	(0.26)	(0.02)	(0.28)
Year ended 3-31-2013	10.19	0.32	0.11	0.43	(0.34)	(0.03)	(0.37)
Year ended 3-31-2012	10.35	0.31	(0.12)	0.19	(0.31)	(0.04)	(0.35)
Year ended 3-31-2011	10.29	0.28	0.09	0.37	(0.25)	(0.06)	(0.31)
Class I Shares							
Year ended 3-31-2015	10.06	0.36	(0.48)	(0.12)	(0.35)	—	(0.35)
Year ended 3-31-2014	10.25	0.37	(0.18)	0.19	(0.36)	(0.02)	(0.38)
Year ended 3-31-2013	10.19	0.42	0.11	0.53	(0.44)	(0.03)	(0.47)
Year ended 3-31-2012	10.35	0.41	(0.11)	0.30	(0.42)	(0.04)	(0.46)
Year ended 3-31-2011	10.30	0.39	0.08	0.47	(0.36)	(0.06)	(0.42)
Class R Shares							
Year ended 3-31-2015	10.05	0.29	(0.49)	(0.20)	(0.28)	—	(0.28)
Year ended 3-31-2014	10.24	0.29	(0.18)	0.11	(0.28)	(0.02)	(0.30)
Year ended 3-31-2013 ⁽⁵⁾	10.17	0.09	0.04	0.13	(0.06)	—	(0.06)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	10.15	0.24	(0.56)	(0.32)	(0.24)	—	(0.24)
Class Y Shares							
Year ended 3-31-2015	10.07	0.34	(0.50)	(0.16)	(0.32)	—	(0.32)
Year ended 3-31-2014	10.26	0.34	(0.18)	0.16	(0.33)	(0.02)	(0.35)
Year ended 3-31-2013	10.20	0.40	0.11	0.51	(0.42)	(0.03)	(0.45)
Year ended 3-31-2012	10.36	0.39	(0.12)	0.27	(0.39)	(0.04)	(0.43)
Year ended 3-31-2011	10.30	0.36	0.09	0.45	(0.33)	(0.06)	(0.39)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$ 9.59	-1.54%	\$177	0.99%	3.39%	1.22%	3.16%	26%
Year ended 3-31-2014	10.06	1.65	187	0.99	3.43	1.25	3.17	21
Year ended 3-31-2013	10.26	5.12	174	0.99	3.92	1.24	3.67	26
Year ended 3-31-2012	10.20	2.74	158	0.99	3.81	1.25	3.55	26
Year ended 3-31-2011	10.35	4.34	141	0.99	3.50	1.25	3.24	26
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	9.58	-2.36	5	1.74	2.64	2.10	2.28	26
Year ended 3-31-2014	10.06	0.90	6	1.74	2.67	2.10	2.31	21
Year ended 3-31-2013	10.25	4.34	7	1.74	3.17	2.15	2.76	26
Year ended 3-31-2012	10.19	1.96	6	1.74	3.05	2.26	2.53	26
Year ended 3-31-2011	10.35	3.66	7	1.74	2.76	2.06	2.44	26
Class C Shares								
Year ended 3-31-2015	9.59	-2.26	31	1.74	2.64	1.87	2.51	26
Year ended 3-31-2014	10.06	0.90	33	1.74	2.67	1.88	2.53	21
Year ended 3-31-2013	10.25	4.34	44	1.74	3.18	1.90	3.02	26
Year ended 3-31-2012	10.19	1.96	41	1.74	3.06	1.93	2.87	26
Year ended 3-31-2011	10.35	3.66	44	1.74	2.76	1.92	2.58	26
Class I Shares								
Year ended 3-31-2015	9.59	-1.29	53	0.74	3.65	0.87	3.52	26
Year ended 3-31-2014	10.06	1.91	58	0.74	3.67	0.89	3.52	21
Year ended 3-31-2013	10.25	5.39	59	0.74	4.13	0.89	3.97	26
Year ended 3-31-2012	10.19	3.00	28	0.74	4.07	0.91	3.90	26
Year ended 3-31-2011	10.35	4.61	25	0.74	3.76	0.92	3.58	26
Class R Shares								
Year ended 3-31-2015	9.57	-2.10	—*	1.46	2.90	—	—	26
Year ended 3-31-2014	10.05	1.14	—*	1.48	2.93	—	—	21
Year ended 3-31-2013 ⁽⁵⁾	10.24	1.30	—*	1.45 ⁽⁶⁾	3.10 ⁽⁶⁾	—	—	26 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	9.59	-3.23	—*	0.70 ⁽⁶⁾	3.62 ⁽⁶⁾	—	—	26 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	9.59	-1.63	5	0.99	3.40	1.12	3.27	26
Year ended 3-31-2014	10.07	1.65	8	0.99	3.42	1.13	3.28	21
Year ended 3-31-2013	10.26	5.12	5	0.99	3.94	1.14	3.78	26
Year ended 3-31-2012	10.20	2.74	7	0.99	3.78	1.16	3.61	26
Year ended 3-31-2011	10.36	4.44	15	0.99	3.51	1.17	3.33	26

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL EQUITY INCOME FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$13.27	\$0.39	\$0.36	\$0.75	\$(0.44)	\$(0.26)	\$(0.70)
Year ended 3-31-2014	11.82	0.57	1.44	2.01	(0.46)	(0.10)	(0.56)
Year ended 3-31-2013 ⁽⁴⁾	10.00	0.35	1.84	2.19	(0.28)	(0.09)	(0.37)
Class B Shares⁽⁶⁾							
Year ended 3-31-2015	13.27	0.32	0.34	0.66	(0.36)	(0.26)	(0.62)
Year ended 3-31-2014	11.81	0.47	1.46	1.93	(0.37)	(0.10)	(0.47)
Year ended 3-31-2013 ⁽⁴⁾	10.00	0.27	1.85	2.12	(0.22)	(0.09)	(0.31)
Class C Shares							
Year ended 3-31-2015	13.27	0.30	0.36	0.66	(0.36)	(0.26)	(0.62)
Year ended 3-31-2014	11.81	0.50	1.44	1.94	(0.38)	(0.10)	(0.48)
Year ended 3-31-2013 ⁽⁴⁾	10.00	0.27	1.85	2.12	(0.22)	(0.09)	(0.31)
Class I Shares							
Year ended 3-31-2015	13.28	0.43	0.37	0.80	(0.49)	(0.26)	(0.75)
Year ended 3-31-2014	11.82	0.61	1.46	2.07	(0.51)	(0.10)	(0.61)
Year ended 3-31-2013 ⁽⁴⁾	10.00	0.37	1.85	2.22	(0.31)	(0.09)	(0.40)
Class R Shares							
Year ended 3-31-2015	13.28	0.36	0.35	0.71	(0.41)	(0.26)	(0.67)
Year ended 3-31-2014	11.82	0.52	1.46	1.98	(0.42)	(0.10)	(0.52)
Year ended 3-31-2013 ⁽⁷⁾	11.28	0.11	0.46	0.57	(0.03)	—	(0.03)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁸⁾	13.37	0.25	0.27	0.52	(0.30)	(0.26)	(0.56)
Class Y Shares							
Year ended 3-31-2015	13.28	0.41	0.35	0.76	(0.46)	(0.26)	(0.72)
Year ended 3-31-2014	11.82	0.58	1.46	2.04	(0.48)	(0.10)	(0.58)
Year ended 3-31-2013 ⁽⁴⁾	10.00	0.34	1.86	2.20	(0.29)	(0.09)	(0.38)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) For the period from June 4, 2012 (commencement of operations of the class) through March 31, 2013.

(5) Annualized.

(6) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(7) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(8) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(10) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$13.32	5.84%	\$253	1.30%	2.94%	1.38%	2.86%	137%
Year ended 3-31-2014	13.27	17.46	184	1.30	4.51	1.48	4.33	98
Year ended 3-31-2013 ⁽⁴⁾	11.82	22.15	59	1.29 ⁽⁵⁾	3.82 ⁽⁵⁾	1.68 ⁽⁵⁾	3.43 ⁽⁵⁾	73
Class B Shares⁽⁶⁾								
Year ended 3-31-2015	13.31	5.08	2	1.98	2.40	—	—	137
Year ended 3-31-2014	13.27	16.68	2	2.04	3.73	2.05	3.72	98
Year ended 3-31-2013 ⁽⁴⁾	11.81	22.41	1	2.01 ⁽⁵⁾	2.89 ⁽⁵⁾	2.21 ⁽⁵⁾	2.69 ⁽⁵⁾	73
Class C Shares								
Year ended 3-31-2015	13.31	5.10	13	1.95	2.28	—	—	137
Year ended 3-31-2014	13.27	16.75	8	1.99	3.91	2.04	3.86	98
Year ended 3-31-2013 ⁽⁴⁾	11.81	21.46	4	1.95 ⁽⁵⁾	2.95 ⁽⁵⁾	2.15 ⁽⁵⁾	2.75 ⁽⁵⁾	73
Class I Shares								
Year ended 3-31-2015	13.33	6.22	22	0.94	3.21	0.98	3.17	137
Year ended 3-31-2014	13.28	17.97	15	0.94	4.86	1.06	4.74	98
Year ended 3-31-2013 ⁽⁴⁾	11.82	22.47	12	0.94 ⁽⁵⁾	3.95 ⁽⁵⁾	1.29 ⁽⁵⁾	3.60 ⁽⁵⁾	73
Class R Shares								
Year ended 3-31-2015	13.32	5.47	—*	1.58	2.75	—	—	137
Year ended 3-31-2014	13.28	17.11	—*	1.65	4.11	1.66	4.10	98
Year ended 3-31-2013 ⁽⁷⁾	11.82	5.05	—*	1.67 ⁽⁵⁾	3.36 ⁽⁵⁾	1.87 ⁽⁵⁾	3.16 ⁽⁵⁾	73 ⁽⁹⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁸⁾	13.33	4.05	1	0.83 ⁽⁵⁾	2.94 ⁽⁵⁾	—	—	137 ⁽¹⁰⁾
Class Y Shares								
Year ended 3-31-2015	13.32	5.88	5	1.19	3.11	1.23	3.07	137
Year ended 3-31-2014	13.28	17.68	4	1.19	4.60	1.31	4.48	98
Year ended 3-31-2013 ⁽⁴⁾	11.82	22.25	4	1.18 ⁽⁵⁾	3.70 ⁽⁵⁾	1.54 ⁽⁵⁾	3.34 ⁽⁵⁾	73

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL GROWTH FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$41.15	\$ 0.19	\$ 1.95	\$ 2.14	\$(0.03)	\$(0.51)	\$(0.54)
Year ended 3-31-2014	35.50	0.19	5.92	6.11	(0.46)	—	(0.46)
Year ended 3-31-2013	33.45	0.27	2.07	2.34	(0.29)	—	(0.29)
Year ended 3-31-2012	33.23	0.26	(0.04)	0.22	—	—	—
Year ended 3-31-2011	29.04	0.39	4.42	4.81	(0.62)	—	(0.62)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	36.59	(0.15)	1.68	1.53	—	(0.51)	(0.51)
Year ended 3-31-2014	31.63	(0.16)	5.25	5.09	(0.13)	—	(0.13)
Year ended 3-31-2013	29.88	(0.05)	1.84	1.79	(0.04)	—	(0.04)
Year ended 3-31-2012	29.99	(0.04)	(0.07)	(0.11)	—	—	—
Year ended 3-31-2011	26.32	0.08	3.99	4.07	(0.40)	—	(0.40)
Class C Shares							
Year ended 3-31-2015	36.57	(0.09)	1.71	1.62	—	(0.51)	(0.51)
Year ended 3-31-2014	31.61	(0.08)	5.22	5.14	(0.18)	—	(0.18)
Year ended 3-31-2013	29.85	(0.02)	1.83	1.81	(0.05)	—	(0.05)
Year ended 3-31-2012	29.93	(0.02)	(0.06)	(0.08)	—	—	—
Year ended 3-31-2011	26.27	0.10	3.97	4.07	(0.41)	—	(0.41)
Class E Shares⁽⁵⁾							
Year ended 3-31-2015	41.19	0.31	1.94	2.25	(0.10)	(0.51)	(0.61)
Year ended 3-31-2014	35.53	0.32	5.89	6.21	(0.55)	—	(0.55)
Year ended 3-31-2013	33.52	0.35	2.07	2.42	(0.41)	—	(0.41)
Year ended 3-31-2012	33.22	0.33	(0.03)	0.30	—	—	—
Year ended 3-31-2011	29.04	0.45	4.42	4.87	(0.69)	—	(0.69)
Class I Shares							
Year ended 3-31-2015	41.57	0.35	1.96	2.31	(0.13)	(0.51)	(0.64)
Year ended 3-31-2014	35.85	0.40	5.92	6.32	(0.60)	—	(0.60)
Year ended 3-31-2013	33.84	0.33	2.16	2.49	(0.48)	—	(0.48)
Year ended 3-31-2012	33.50	0.37	(0.03)	0.34	—	—	—
Year ended 3-31-2011	29.26	0.69	4.28	4.97	(0.73)	—	(0.73)
Class R Shares							
Year ended 3-31-2015	41.11	0.01	2.03	2.04	—	(0.51)	(0.51)
Year ended 3-31-2014	35.48	0.13	5.88	6.01	(0.38)	—	(0.38)
Year ended 3-31-2013 ⁽⁶⁾	34.77	0.01	0.70	0.71	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁸⁾	42.56	0.15	1.22	1.37	(0.10)	(0.51)	(0.61)
Class Y Shares							
Year ended 3-31-2015	41.23	0.24	1.96	2.20	(0.06)	(0.51)	(0.57)
Year ended 3-31-2014	35.57	0.30	5.87	6.17	(0.51)	—	(0.51)
Year ended 3-31-2013	33.54	0.27	2.10	2.37	(0.34)	—	(0.34)
Year ended 3-31-2012	33.28	0.29	(0.03)	0.26	—	—	—
Year ended 3-31-2011	29.06	0.58	4.31	4.89	(0.67)	—	(0.67)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class share is closed to investment.

(6) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(7) Annualized.

(8) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(10) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$42.75	5.26%	\$409	1.45%	0.47%	—%	—%	61%
Year ended 3-31-2014	41.15	17.26	340	1.49	0.50	—	—	46
Year ended 3-31-2013	35.50	7.04	198	1.48	0.80	—	—	40
Year ended 3-31-2012	33.45	0.66	151	1.52	0.81	—	—	49
Year ended 3-31-2011	33.23	16.67	142	1.62	1.28	—	—	74
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	37.61	4.25	4	2.43	-0.40	—	—	61
Year ended 3-31-2014	36.59	16.13	5	2.47	-0.46	—	—	46
Year ended 3-31-2013	31.63	5.95	4	2.47	-0.16	—	—	40
Year ended 3-31-2012	29.88	-0.34	3	2.55	-0.16	—	—	49
Year ended 3-31-2011	29.99	15.53	4	2.61	0.29	—	—	74
Class C Shares								
Year ended 3-31-2015	37.68	4.51	26	2.21	-0.25	—	—	61
Year ended 3-31-2014	36.57	16.30	28	2.31	-0.23	—	—	46
Year ended 3-31-2013	31.61	6.03	24	2.39	-0.07	—	—	40
Year ended 3-31-2012	29.85	-0.24	25	2.46	-0.09	—	—	49
Year ended 3-31-2011	29.93	15.55	31	2.59	0.31	—	—	74
Class E Shares⁽⁵⁾								
Year ended 3-31-2015	42.83	5.55	—*	1.21	0.74	—	—	61
Year ended 3-31-2014	41.19	17.58	—*	1.22	0.84	—	—	46
Year ended 3-31-2013	35.53	7.27	—*	1.25	1.04	—	—	40
Year ended 3-31-2012	33.52	0.90	—*	1.29	1.04	—	—	49
Year ended 3-31-2011	33.22	16.88	—*	1.40	1.49	—	—	74
Class I Shares								
Year ended 3-31-2015	43.24	5.66	77	1.09	0.84	—	—	61
Year ended 3-31-2014	41.57	17.73	66	1.11	1.02	—	—	46
Year ended 3-31-2013	35.85	7.38	48	1.13	0.96	—	—	40
Year ended 3-31-2012	33.84	1.05	24	1.17	1.14	—	—	49
Year ended 3-31-2011	33.50	17.09	23	1.25	1.85	—	—	74
Class R Shares								
Year ended 3-31-2015	42.64	5.03	1	1.69	0.02	—	—	61
Year ended 3-31-2014	41.11	17.01	—*	1.70	0.33	—	—	46
Year ended 3-31-2013 ⁽⁶⁾	35.48	2.04	—*	1.70 ⁽⁷⁾	0.15 ⁽⁷⁾	—	—	40 ⁽⁹⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁸⁾	43.32	3.31	3	0.95 ⁽⁷⁾	0.55 ⁽⁷⁾	—	—	61 ⁽¹⁰⁾
Class Y Shares								
Year ended 3-31-2015	42.86	5.40	11	1.35	0.57	—	—	61
Year ended 3-31-2014	41.23	17.38	11	1.38	0.79	—	—	46
Year ended 3-31-2013	35.57	7.14	13	1.39	0.81	—	—	40
Year ended 3-31-2012	33.54	0.78	11	1.40	0.93	1.42	0.91	49
Year ended 3-31-2011	33.28	16.93	9	1.42	1.62	1.58	1.46	74

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GLOBAL INCOME ALLOCATION FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$15.58	\$0.62	\$(0.18)	\$ 0.44	\$(0.60)	\$—	\$(0.60)
Year ended 3-31-2014	14.79	0.68	0.70	1.38	(0.59)	—	(0.59)
Year ended 3-31-2013	14.52	0.62	0.33	0.95	(0.68)	—	(0.68)
Year ended 3-31-2012	15.19	0.57	(0.57)	0.00	(0.67)	—	(0.67)
Year ended 3-31-2011	13.59	0.36	1.54	1.90	(0.30)	—	(0.30)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	15.32	0.48	(0.18)	0.30	(0.47)	—	(0.47)
Year ended 3-31-2014	14.55	0.52	0.70	1.22	(0.45)	—	(0.45)
Year ended 3-31-2013	14.29	0.48	0.32	0.80	(0.54)	—	(0.54)
Year ended 3-31-2012	14.93	0.43	(0.57)	(0.14)	(0.50)	—	(0.50)
Year ended 3-31-2011	13.40	0.23	1.51	1.74	(0.21)	—	(0.21)
Class C Shares							
Year ended 3-31-2015	15.41	0.51	(0.18)	0.33	(0.50)	—	(0.50)
Year ended 3-31-2014	14.64	0.57	0.70	1.27	(0.50)	—	(0.50)
Year ended 3-31-2013	14.38	0.52	0.32	0.84	(0.58)	—	(0.58)
Year ended 3-31-2012	15.02	0.49	(0.58)	(0.09)	(0.55)	—	(0.55)
Year ended 3-31-2011	13.46	0.28	1.52	1.80	(0.24)	—	(0.24)
Class E Shares							
Year ended 3-31-2015	15.58	0.62	(0.19)	0.43	(0.59)	—	(0.59)
Year ended 3-31-2014	14.79	0.68	0.70	1.38	(0.59)	—	(0.59)
Year ended 3-31-2013	14.52	0.62	0.33	0.95	(0.68)	—	(0.68)
Year ended 3-31-2012	15.20	0.59	(0.58)	0.01	(0.69)	—	(0.69)
Year ended 3-31-2011	13.59	0.38	1.54	1.92	(0.31)	—	(0.31)
Class I Shares							
Year ended 3-31-2015	15.70	0.67	(0.17)	0.50	(0.66)	—	(0.66)
Year ended 3-31-2014	14.90	0.74	0.71	1.45	(0.65)	—	(0.65)
Year ended 3-31-2013	14.62	0.70	0.32	1.02	(0.74)	—	(0.74)
Year ended 3-31-2012	15.31	0.64	(0.58)	0.06	(0.75)	—	(0.75)
Year ended 3-31-2011	13.67	0.45	1.53	1.98	(0.34)	—	(0.34)
Class R Shares							
Year ended 3-31-2015	15.57	0.59	(0.18)	0.41	(0.57)	—	(0.57)
Year ended 3-31-2014	14.79	0.64	0.70	1.34	(0.56)	—	(0.56)
Year ended 3-31-2013 ⁽⁵⁾	14.37	0.15	0.32	0.47	(0.05)	—	(0.05)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	15.95	0.45	(0.40)	0.05	(0.45)	—	(0.45)
Class Y Shares							
Year ended 3-31-2015	15.64	0.67	(0.21)	0.46	(0.62)	—	(0.62)
Year ended 3-31-2014	14.85	0.71	0.70	1.41	(0.62)	—	(0.62)
Year ended 3-31-2013	14.57	0.62	0.36	0.98	(0.70)	—	(0.70)
Year ended 3-31-2012	15.25	0.59	(0.57)	0.02	(0.70)	—	(0.70)
Year ended 3-31-2011	13.63	0.41	1.53	1.94	(0.32)	—	(0.32)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$15.42	2.87%	\$653	1.29%	4.00%	—%	—%	69%
Year ended 3-31-2014	15.58	9.60	494	1.35	4.52	1.35	4.52	92
Year ended 3-31-2013	14.79	6.84	308	1.35	4.38	1.51	4.22	109
Year ended 3-31-2012	14.52	0.23	228	1.44	3.94	—	—	61
Year ended 3-31-2011	15.19	14.08	213	1.44	2.56	—	—	71
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	15.15	1.95	5	2.18	3.12	—	—	69
Year ended 3-31-2014	15.32	8.53	6	2.27	3.54	—	—	92
Year ended 3-31-2013	14.55	5.90	7	2.31	3.48	2.54	3.25	109
Year ended 3-31-2012	14.29	-0.75	7	2.41	3.05	—	—	61
Year ended 3-31-2011	14.93	13.04	8	2.41	1.62	—	—	71
Class C Shares								
Year ended 3-31-2015	15.24	2.18	50	1.91	3.34	—	—	69
Year ended 3-31-2014	15.41	8.86	28	1.99	3.82	1.99	3.82	92
Year ended 3-31-2013	14.64	6.13	25	2.02	3.70	2.12	3.60	109
Year ended 3-31-2012	14.38	-0.41	19	2.10	3.41	—	—	61
Year ended 3-31-2011	15.02	13.42	23	2.10	1.93	—	—	71
Class E Shares								
Year ended 3-31-2015	15.42	2.82	3	1.33	3.97	1.61	3.69	69
Year ended 3-31-2014	15.58	9.56	3	1.33	4.51	1.70	4.14	92
Year ended 3-31-2013	14.79	6.94	2	1.33	4.42	2.03	3.72	109
Year ended 3-31-2012	14.52	0.30	2	1.33	4.07	1.90	3.50	61
Year ended 3-31-2011	15.20	14.25	2	1.33	2.65	2.05	1.93	71
Class I Shares								
Year ended 3-31-2015	15.54	3.22	48	0.92	4.28	—	—	69
Year ended 3-31-2014	15.70	10.07	39	0.93	4.90	0.94	4.89	92
Year ended 3-31-2013	14.90	7.33	30	0.91	4.98	1.03	4.86	109
Year ended 3-31-2012	14.62	0.67	43	0.99	4.39	—	—	61
Year ended 3-31-2011	15.31	14.63	42	0.99	3.08	—	—	71
Class R Shares								
Year ended 3-31-2015	15.41	2.64	—*	1.51	3.80	—	—	69
Year ended 3-31-2014	15.57	9.32	—*	1.55	4.28	—	—	92
Year ended 3-31-2013 ⁽⁵⁾	14.79	3.30	—*	1.52 ⁽⁶⁾	3.73 ⁽⁶⁾	1.53 ⁽⁶⁾	3.72 ⁽⁶⁾	109 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	15.55	0.36	2	0.78 ⁽⁶⁾	4.40 ⁽⁶⁾	—	—	69 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	15.48	2.97	3	1.17	4.29	1.18	4.28	69
Year ended 3-31-2014	15.64	9.77	7	1.17	4.68	1.19	4.66	92
Year ended 3-31-2013	14.85	7.08	5	1.17	4.40	1.29	4.28	109
Year ended 3-31-2012	14.57	0.38	4	1.26	4.12	—	—	61
Year ended 3-31-2011	15.25	14.33	6	1.25	2.80	—	—	71

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY HIGH INCOME FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$8.75	\$0.57	\$(0.52)	\$ 0.05	\$(0.57)	\$(0.14)	\$(0.71)
Year ended 3-31-2014	8.72	0.58	0.18	0.76	(0.60)	(0.13)	(0.73)
Year ended 3-31-2013	8.30	0.63	0.52	1.15	(0.63)	(0.10)	(0.73)
Year ended 3-31-2012	8.46	0.64	0.02	0.66	(0.65)	(0.17)	(0.82)
Year ended 3-31-2011	8.32	0.69	0.50	1.19	(0.69)	(0.36)	(1.05)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	8.75	0.51	(0.52)	(0.01)	(0.51)	(0.14)	(0.65)
Year ended 3-31-2014	8.72	0.52	0.17	0.69	(0.53)	(0.13)	(0.66)
Year ended 3-31-2013	8.30	0.57	0.52	1.09	(0.57)	(0.10)	(0.67)
Year ended 3-31-2012	8.46	0.58	0.02	0.60	(0.59)	(0.17)	(0.76)
Year ended 3-31-2011	8.32	0.62	0.50	1.12	(0.62)	(0.36)	(0.98)
Class C Shares							
Year ended 3-31-2015	8.75	0.51	(0.52)	(0.01)	(0.51)	(0.14)	(0.65)
Year ended 3-31-2014	8.72	0.52	0.18	0.70	(0.54)	(0.13)	(0.67)
Year ended 3-31-2013	8.30	0.57	0.52	1.09	(0.57)	(0.10)	(0.67)
Year ended 3-31-2012	8.46	0.58	0.03	0.61	(0.60)	(0.17)	(0.77)
Year ended 3-31-2011	8.32	0.63	0.50	1.13	(0.63)	(0.36)	(0.99)
Class E Shares							
Year ended 3-31-2015	8.75	0.54	(0.51)	0.03	(0.55)	(0.14)	(0.69)
Year ended 3-31-2014	8.72	0.55	0.17	0.72	(0.56)	(0.13)	(0.69)
Year ended 3-31-2013	8.30	0.59	0.52	1.11	(0.59)	(0.10)	(0.69)
Year ended 3-31-2012	8.46	0.62	0.01	0.63	(0.62)	(0.17)	(0.79)
Year ended 3-31-2011	8.32	0.67	0.50	1.17	(0.67)	(0.36)	(1.03)
Class I Shares							
Year ended 3-31-2015	8.75	0.59	(0.52)	0.07	(0.59)	(0.14)	(0.73)
Year ended 3-31-2014	8.72	0.60	0.18	0.78	(0.62)	(0.13)	(0.75)
Year ended 3-31-2013	8.30	0.65	0.52	1.17	(0.65)	(0.10)	(0.75)
Year ended 3-31-2012	8.46	0.66	0.03	0.69	(0.68)	(0.17)	(0.85)
Year ended 3-31-2011	8.32	0.72	0.50	1.22	(0.72)	(0.36)	(1.08)
Class R Shares							
Year ended 3-31-2015	8.75	0.54	(0.52)	0.02	(0.54)	(0.14)	(0.68)
Year ended 3-31-2014	8.72	0.52	0.21	0.73	(0.57)	(0.13)	(0.70)
Year ended 3-31-2013 ⁽⁵⁾	8.54	0.16	0.17	0.33	(0.15)	—	(0.15)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	8.63	0.40	(0.40)	0.00*	(0.40)	(0.14)	(0.54)
Class Y Shares							
Year ended 3-31-2015	8.75	0.57	(0.52)	0.05	(0.57)	(0.14)	(0.71)
Year ended 3-31-2014	8.72	0.58	0.18	0.76	(0.60)	(0.13)	(0.73)
Year ended 3-31-2013	8.30	0.63	0.52	1.15	(0.63)	(0.10)	(0.73)
Year ended 3-31-2012	8.46	0.64	0.03	0.67	(0.66)	(0.17)	(0.83)
Year ended 3-31-2011	8.32	0.69	0.50	1.19	(0.69)	(0.36)	(1.05)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$8.09	0.62%	\$2,920	0.94%	6.70%	—%	—%	44%
Year ended 3-31-2014	8.75	9.09	4,151	0.93	6.68	—	—	75
Year ended 3-31-2013	8.72	14.50	3,080	0.93	7.42	—	—	68
Year ended 3-31-2012	8.30	8.47	1,847	1.00	7.87	—	—	80
Year ended 3-31-2011	8.46	15.21	1,027	1.08	8.22	—	—	89
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	8.09	-0.13	133	1.67	5.98	—	—	44
Year ended 3-31-2014	8.75	8.28	165	1.68	5.96	—	—	75
Year ended 3-31-2013	8.72	13.64	152	1.69	6.65	—	—	68
Year ended 3-31-2012	8.30	7.63	90	1.79	7.10	—	—	80
Year ended 3-31-2011	8.46	14.31	50	1.88	7.43	—	—	89
Class C Shares								
Year ended 3-31-2015	8.09	-0.07	1,618	1.64	6.02	—	—	44
Year ended 3-31-2014	8.75	8.32	1,919	1.64	5.98	—	—	75
Year ended 3-31-2013	8.72	13.71	1,501	1.64	6.70	—	—	68
Year ended 3-31-2012	8.30	7.73	850	1.70	7.16	—	—	80
Year ended 3-31-2011	8.46	14.42	416	1.77	7.52	—	—	89
Class E Shares								
Year ended 3-31-2015	8.09	0.30	10	1.26	6.42	—	—	44
Year ended 3-31-2014	8.75	8.69	10	1.27	6.34	—	—	75
Year ended 3-31-2013	8.72	13.96	8	1.36	6.99	1.38	6.97	68
Year ended 3-31-2012	8.30	8.08	5	1.36	7.55	1.45	7.47	80
Year ended 3-31-2011	8.46	14.86	4	1.36	7.95	1.59	7.72	89
Class I Shares								
Year ended 3-31-2015	8.09	0.88	2,523	0.69	6.91	—	—	44
Year ended 3-31-2014	8.75	9.36	4,075	0.69	6.90	—	—	75
Year ended 3-31-2013	8.72	14.77	2,513	0.70	7.64	—	—	68
Year ended 3-31-2012	8.30	8.78	1,255	0.73	8.07	—	—	80
Year ended 3-31-2011	8.46	15.56	384	0.79	8.49	—	—	89
Class R Shares								
Year ended 3-31-2015	8.09	0.31	58	1.29	6.45	—	—	44
Year ended 3-31-2014	8.75	8.71	30	1.28	6.00	—	—	75
Year ended 3-31-2013 ⁽⁵⁾	8.72	3.94	—*	1.27 ⁽⁶⁾	6.61 ⁽⁶⁾	—	—	68 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	8.09	0.13	13	0.54 ⁽⁶⁾	7.47 ⁽⁶⁾	—	—	44 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	8.09	0.64	740	0.94	6.69	0.95	6.68	44
Year ended 3-31-2014	8.75	9.09	1,129	0.93	6.67	0.94	6.66	75
Year ended 3-31-2013	8.72	14.50	835	0.93	7.41	0.95	7.39	68
Year ended 3-31-2012	8.30	8.51	464	0.99	7.84	—	—	80
Year ended 3-31-2011	8.46	15.25	192	1.05	8.22	—	—	89

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY INTERNATIONAL CORE EQUITY FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$19.04	\$0.19	\$ 0.67	\$ 0.86	\$(0.23)	\$(1.79)	\$(2.02)
Year ended 3-31-2014	15.98	0.18	3.24	3.42	(0.35)	(0.01)	(0.36)
Year ended 3-31-2013	15.26	0.21	0.73	0.94	(0.22)	—	(0.22)
Year ended 3-31-2012	17.14	0.27	(1.66)	(1.39)	(0.27)	(0.22)	(0.49)
Year ended 3-31-2011	14.84	0.18	2.27	2.45	(0.15)	—	(0.15)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	17.23	0.03	0.59	0.62	(0.09)	(1.79)	(1.88)
Year ended 3-31-2014	14.49	0.04	2.93	2.97	(0.22)	(0.01)	(0.23)
Year ended 3-31-2013	13.86	0.07	0.66	0.73	(0.10)	—	(0.10)
Year ended 3-31-2012	15.64	0.14	(1.53)	(1.39)	(0.17)	(0.22)	(0.39)
Year ended 3-31-2011	13.59	0.05	2.06	2.11	(0.06)	—	(0.06)
Class C Shares							
Year ended 3-31-2015	17.25	0.05	0.61	0.66	(0.12)	(1.79)	(1.91)
Year ended 3-31-2014	14.51	0.07	2.93	3.00	(0.25)	(0.01)	(0.26)
Year ended 3-31-2013	13.88	0.11	0.65	0.76	(0.13)	—	(0.13)
Year ended 3-31-2012	15.65	0.17	(1.53)	(1.36)	(0.19)	(0.22)	(0.41)
Year ended 3-31-2011	13.58	0.07	2.08	2.15	(0.08)	—	(0.08)
Class E Shares							
Year ended 3-31-2015	19.14	0.16	0.68	0.84	(0.20)	(1.79)	(1.99)
Year ended 3-31-2014	16.07	0.16	3.25	3.41	(0.33)	(0.01)	(0.34)
Year ended 3-31-2013	15.33	0.20	0.75	0.95	(0.21)	—	(0.21)
Year ended 3-31-2012	17.21	0.27	(1.67)	(1.40)	(0.26)	(0.22)	(0.48)
Year ended 3-31-2011	14.90	0.17	2.29	2.46	(0.15)	—	(0.15)
Class I Shares							
Year ended 3-31-2015	19.15	0.25	0.68	0.93	(0.30)	(1.79)	(2.09)
Year ended 3-31-2014	16.07	0.25	3.25	3.50	(0.41)	(0.01)	(0.42)
Year ended 3-31-2013	15.33	0.27	0.75	1.02	(0.28)	—	(0.28)
Year ended 3-31-2012	17.22	0.32	(1.66)	(1.34)	(0.33)	(0.22)	(0.55)
Year ended 3-31-2011	14.90	0.23	2.30	2.53	(0.21)	—	(0.21)
Class R Shares							
Year ended 3-31-2015	19.03	0.10	0.71	0.81	(0.18)	(1.79)	(1.97)
Year ended 3-31-2014	15.98	0.11	3.26	3.37	(0.31)	(0.01)	(0.32)
Year ended 3-31-2013 ⁽⁵⁾	15.40	0.04	0.54	0.58	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	20.09	0.13	(0.12)	0.01	(0.27)	(1.79)	(2.06)
Class Y Shares							
Year ended 3-31-2015	19.16	0.18	0.70	0.88	(0.25)	(1.79)	(2.04)
Year ended 3-31-2014	16.08	0.21	3.25	3.46	(0.37)	(0.01)	(0.38)
Year ended 3-31-2013	15.35	0.24	0.73	0.97	(0.24)	—	(0.24)
Year ended 3-31-2012	17.23	0.29	(1.66)	(1.37)	(0.29)	(0.22)	(0.51)
Year ended 3-31-2011	14.92	0.20	2.28	2.48	(0.17)	—	(0.17)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$17.88	4.98%	\$1,383	1.35%	0.99%	—%	—%	87%
Year ended 3-31-2014	19.04	21.42	1,028	1.40	1.01	—	—	87
Year ended 3-31-2013	15.98	6.30	694	1.46	1.43	—	—	81
Year ended 3-31-2012	15.26	-7.86	717	1.49	1.75	—	—	88
Year ended 3-31-2011	17.14	16.60	673	1.46	1.21	—	—	101
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	15.97	4.02	13	2.20	0.17	—	—	87
Year ended 3-31-2014	17.23	20.47	13	2.22	0.26	—	—	87
Year ended 3-31-2013	14.49	5.37	12	2.35	0.56	—	—	81
Year ended 3-31-2012	13.86	-8.68	15	2.36	1.02	—	—	88
Year ended 3-31-2011	15.64	15.56	20	2.35	0.40	—	—	101
Class C Shares								
Year ended 3-31-2015	16.00	4.25	168	2.02	0.32	—	—	87
Year ended 3-31-2014	17.25	20.64	117	2.07	0.40	—	—	87
Year ended 3-31-2013	14.51	5.61	98	2.10	0.81	—	—	81
Year ended 3-31-2012	13.88	-8.45	113	2.13	1.18	—	—	88
Year ended 3-31-2011	15.65	15.88	132	2.13	0.55	—	—	101
Class E Shares								
Year ended 3-31-2015	17.99	4.82	5	1.53	0.84	1.74	0.63	87
Year ended 3-31-2014	19.14	21.32	4	1.53	0.90	1.85	0.58	87
Year ended 3-31-2013	16.07	6.27	3	1.52	1.36	2.05	0.83	81
Year ended 3-31-2012	15.33	-7.88	3	1.53	1.74	2.09	1.18	88
Year ended 3-31-2011	17.21	16.56	3	1.53	1.13	2.16	0.50	101
Class I Shares								
Year ended 3-31-2015	17.99	5.32	1,347	1.02	1.30	—	—	87
Year ended 3-31-2014	19.15	21.93	802	1.04	1.39	—	—	87
Year ended 3-31-2013	16.07	6.75	572	1.05	1.80	—	—	81
Year ended 3-31-2012	15.33	-7.47	505	1.07	2.07	—	—	88
Year ended 3-31-2011	17.22	17.03	307	1.08	1.51	—	—	101
Class R Shares								
Year ended 3-31-2015	17.87	4.70	19	1.61	0.54	—	—	87
Year ended 3-31-2014	19.03	21.19	5	1.64	0.61	—	—	87
Year ended 3-31-2013 ⁽⁵⁾	15.98	3.77	—*	1.62 ⁽⁶⁾	0.96 ⁽⁶⁾	—	—	81 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	18.04	0.48	21	0.86 ⁽⁶⁾	1.10 ⁽⁶⁾	—	—	87 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	18.00	5.04	526	1.27	0.95	—	—	87
Year ended 3-31-2014	19.16	21.63	153	1.29	1.20	—	—	87
Year ended 3-31-2013	16.08	6.42	148	1.31	1.62	—	—	81
Year ended 3-31-2012	15.35	-7.67	165	1.33	1.88	—	—	88
Year ended 3-31-2011	17.23	16.72	120	1.34	1.36	—	—	101

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY LARGE CAP GROWTH FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$17.59	\$(0.04)	\$3.03	\$2.99	\$ —	\$(1.39)	\$(1.39)
Year ended 3-31-2014	15.87	0.01	3.75	3.76	—	(2.04)	(2.04)
Year ended 3-31-2013	15.14	0.03	0.73	0.76	(0.03)	—	(0.03)
Year ended 3-31-2012	13.61	(0.01)	1.54	1.53	—	—	—
Year ended 3-31-2011	11.85	0.00	1.77	1.77	(0.01)	—	(0.01)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	14.84	(0.16)	2.53	2.37	—	(1.39)	(1.39)
Year ended 3-31-2014	13.73	(0.12)	3.21	3.09	—	(1.98)	(1.98)
Year ended 3-31-2013	13.20	(0.10)	0.63	0.53	—	—	—
Year ended 3-31-2012	11.99	(0.13)	1.34	1.21	—	—	—
Year ended 3-31-2011	10.55	(0.13)	1.57	1.44	—	—	—
Class C Shares							
Year ended 3-31-2015	15.64	(0.15)	2.68	2.53	—	(1.39)	(1.39)
Year ended 3-31-2014	14.36	(0.11)	3.37	3.26	—	(1.98)	(1.98)
Year ended 3-31-2013	13.78	(0.08)	0.66	0.58	—	—	—
Year ended 3-31-2012	12.49	(0.11)	1.40	1.29	—	—	—
Year ended 3-31-2011	10.95	(0.09)	1.63	1.54	—	—	—
Class E Shares							
Year ended 3-31-2015	17.57	(0.04)	3.03	2.99	—	(1.39)	(1.39)
Year ended 3-31-2014	15.86	0.01	3.74	3.75	—	(2.04)	(2.04)
Year ended 3-31-2013	15.13	0.03	0.73	0.76	(0.03)	—	(0.03)
Year ended 3-31-2012	13.60	(0.01)	1.54	1.53	—	—	—
Year ended 3-31-2011	11.84	(0.01)	1.78	1.77	(0.01)	—	(0.01)
Class I Shares							
Year ended 3-31-2015	18.15	0.01	3.13	3.14	—	(1.39)	(1.39)
Year ended 3-31-2014	16.31	0.06	3.85	3.91	(0.03)	(2.04)	(2.07)
Year ended 3-31-2013	15.54	0.07	0.76	0.83	(0.06)	—	(0.06)
Year ended 3-31-2012	13.93	0.02	1.59	1.61	—	—	—
Year ended 3-31-2011	12.12	0.03	1.81	1.84	(0.03)	—	(0.03)
Class R Shares							
Year ended 3-31-2015	17.25	(0.09)	2.97	2.88	—	(1.39)	(1.39)
Year ended 3-31-2014	15.62	(0.04)	3.67	3.63	—	(2.00)	(2.00)
Year ended 3-31-2013	14.92	(0.02)	0.72	0.70	—	—	—
Year ended 3-31-2012	13.46	(0.05)	1.51	1.46	—	—	—
Year ended 3-31-2011	11.74	(0.03)	1.75	1.72	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	18.91	0.02	2.39	2.41	—	(1.39)	(1.39)
Class Y Shares							
Year ended 3-31-2015	17.89	(0.02)	3.09	3.07	—	(1.39)	(1.39)
Year ended 3-31-2014	16.11	0.03	3.80	3.83	(0.01)	(2.04)	(2.05)
Year ended 3-31-2013	15.36	0.05	0.74	0.79	(0.04)	—	(0.04)
Year ended 3-31-2012	13.80	0.01	1.55	1.56	—	—	—
Year ended 3-31-2011	12.01	0.01	1.80	1.81	(0.02)	—	(0.02)

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$19.19	17.45%	\$1,093	1.15%	-0.20%	1.17%	-0.22%	36%
Year ended 3-31-2014	17.59	24.21	1,090	1.15	0.07	1.19	0.03	50
Year ended 3-31-2013	15.87	5.03	994	1.15	0.22	1.22	0.15	73
Year ended 3-31-2012	15.14	11.24	995	1.15	-0.06	1.22	-0.13	57
Year ended 3-31-2011	13.61	14.98	550	1.15	0.01	1.25	-0.09	91
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	15.82	16.49	12	2.01	-1.06	—	—	36
Year ended 3-31-2014	14.84	23.08	11	2.06	-0.84	—	—	50
Year ended 3-31-2013	13.73	4.02	11	2.15	-0.78	2.18	-0.81	73
Year ended 3-31-2012	13.20	10.09	15	2.18	-1.10	2.22	-1.14	57
Year ended 3-31-2011	11.99	13.65	10	2.32	-1.17	—	—	91
Class C Shares								
Year ended 3-31-2015	16.78	16.67	94	1.86	-0.92	—	—	36
Year ended 3-31-2014	15.64	23.17	78	1.90	-0.68	—	—	50
Year ended 3-31-2013	14.36	4.28	71	1.93	-0.57	—	—	73
Year ended 3-31-2012	13.78	10.33	81	1.95	-0.86	—	—	57
Year ended 3-31-2011	12.49	14.06	53	1.98	-0.83	—	—	91
Class E Shares								
Year ended 3-31-2015	19.17	17.47	9	1.15	-0.21	1.39	-0.45	36
Year ended 3-31-2014	17.57	24.16	7	1.15	0.06	1.46	-0.25	50
Year ended 3-31-2013	15.86	5.03	6	1.15	0.21	1.59	-0.24	73
Year ended 3-31-2012	15.13	11.25	5	1.15	-0.06	1.62	-0.53	57
Year ended 3-31-2011	13.60	14.99	2	1.15	-0.02	1.83	-0.70	91
Class I Shares								
Year ended 3-31-2015	19.90	17.75	318	0.88	0.04	—	—	36
Year ended 3-31-2014	18.15	24.52	118	0.88	0.34	0.88	0.34	50
Year ended 3-31-2013	16.31	5.36	142	0.88	0.45	0.89	0.45	73
Year ended 3-31-2012	15.54	11.56	242	0.89	0.18	—	—	57
Year ended 3-31-2011	13.93	15.22	173	0.92	0.22	—	—	91
Class R Shares								
Year ended 3-31-2015	18.74	17.16	26	1.47	-0.52	—	—	36
Year ended 3-31-2014	17.25	23.75	31	1.47	-0.26	—	—	50
Year ended 3-31-2013	15.62	4.69	28	1.48	-0.11	—	—	73
Year ended 3-31-2012	14.92	10.85	24	1.48	-0.39	—	—	57
Year ended 3-31-2011	13.46	14.65	20	1.46	-0.29	—	—	91
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	19.93	13.18	6	0.72 ⁽⁶⁾	0.17 ⁽⁶⁾	—	—	36 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	19.57	17.62	132	1.06	-0.11	1.12	-0.17	36
Year ended 3-31-2014	17.89	24.30	131	1.06	0.16	1.13	0.09	50
Year ended 3-31-2013	16.11	5.09	126	1.06	0.31	1.13	0.23	73
Year ended 3-31-2012	15.36	11.38	121	1.06	0.04	1.14	-0.04	57
Year ended 3-31-2011	13.80	15.09	142	1.06	0.10	1.16	0.00	91

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY LIMITED-TERM BOND FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$10.90	\$0.15	\$ 0.02	\$ 0.17	\$(0.15)	\$ —	\$(0.15)
Year ended 3-31-2014	11.20	0.14	(0.23)	(0.09)	(0.15)	(0.06)	(0.21)
Year ended 3-31-2013	11.16	0.17	0.08	0.25	(0.18)	(0.03)	(0.21)
Year ended 3-31-2012	11.04	0.20	0.20	0.40	(0.23)	(0.05)	(0.28)
Year ended 3-31-2011	11.06	0.25	0.02	0.27	(0.27)	(0.02)	(0.29)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	10.90	0.06	0.02	0.08	(0.06)	—	(0.06)
Year ended 3-31-2014	11.20	0.05	(0.23)	(0.18)	(0.06)	(0.06)	(0.12)
Year ended 3-31-2013	11.16	0.07	0.09	0.16	(0.09)	(0.03)	(0.12)
Year ended 3-31-2012	11.04	0.11	0.20	0.31	(0.14)	(0.05)	(0.19)
Year ended 3-31-2011	11.06	0.16	0.02	0.18	(0.18)	(0.02)	(0.20)
Class C Shares							
Year ended 3-31-2015	10.90	0.07	0.02	0.09	(0.07)	—	(0.07)
Year ended 3-31-2014	11.20	0.06	(0.23)	(0.17)	(0.07)	(0.06)	(0.13)
Year ended 3-31-2013	11.16	0.08	0.09	0.17	(0.10)	(0.03)	(0.13)
Year ended 3-31-2012	11.04	0.12	0.20	0.32	(0.15)	(0.05)	(0.20)
Year ended 3-31-2011	11.06	0.17	0.02	0.19	(0.19)	(0.02)	(0.21)
Class E Shares							
Year ended 3-31-2015	10.90	0.13	0.03	0.16	(0.14)	—	(0.14)
Year ended 3-31-2014	11.20	0.13	(0.23)	(0.10)	(0.14)	(0.06)	(0.20)
Year ended 3-31-2013	11.16	0.15	0.09	0.24	(0.17)	(0.03)	(0.20)
Year ended 3-31-2012	11.04	0.19	0.20	0.39	(0.22)	(0.05)	(0.27)
Year ended 3-31-2011	11.06	0.24	0.02	0.26	(0.26)	(0.02)	(0.28)
Class I Shares							
Year ended 3-31-2015	10.90	0.17	0.03	0.20	(0.18)	—	(0.18)
Year ended 3-31-2014	11.20	0.17	(0.23)	(0.06)	(0.18)	(0.06)	(0.24)
Year ended 3-31-2013	11.16	0.19	0.09	0.28	(0.21)	(0.03)	(0.24)
Year ended 3-31-2012	11.04	0.23	0.20	0.43	(0.26)	(0.05)	(0.31)
Year ended 3-31-2011	11.06	0.28	0.02	0.30	(0.30)	(0.02)	(0.32)
Class R Shares							
Year ended 3-31-2015	10.90	0.11	0.03	0.14	(0.12)	—	(0.12)
Year ended 3-31-2014	11.20	0.11	(0.23)	(0.12)	(0.12)	(0.06)	(0.18)
Year ended 3-31-2013 ⁽⁵⁾	11.19	0.02	0.02	0.04	(0.03)	—	(0.03)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	10.91	0.13	0.01	0.14	(0.13)	—	(0.13)
Class Y Shares							
Year ended 3-31-2015	10.90	0.15	0.02	0.17	(0.15)	—	(0.15)
Year ended 3-31-2014	11.20	0.14	(0.23)	(0.09)	(0.15)	(0.06)	(0.21)
Year ended 3-31-2013	11.16	0.17	0.08	0.25	(0.18)	(0.03)	(0.21)
Year ended 3-31-2012	11.04	0.21	0.19	0.40	(0.23)	(0.05)	(0.28)
Year ended 3-31-2011	11.06	0.25	0.02	0.27	(0.27)	(0.02)	(0.29)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$10.92	1.60%	\$1,504	0.88%	1.36%	—%	—%	39%
Year ended 3-31-2014	10.90	-0.74	1,446	0.89	1.31	—	—	39
Year ended 3-31-2013	11.20	2.29	1,211	0.88	1.48	—	—	55
Year ended 3-31-2012	11.16	3.66	1,046	0.90	1.84	—	—	40
Year ended 3-31-2011	11.04	2.45	794	0.93	2.18	—	—	54
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	10.92	0.75	13	1.72	0.52	—	—	39
Year ended 3-31-2014	10.90	-1.59	19	1.76	0.44	—	—	39
Year ended 3-31-2013	11.20	1.45	25	1.71	0.66	—	—	55
Year ended 3-31-2012	11.16	2.80	26	1.74	1.00	—	—	40
Year ended 3-31-2011	11.04	1.61	24	1.75	1.36	—	—	54
Class C Shares								
Year ended 3-31-2015	10.92	0.83	117	1.64	0.60	—	—	39
Year ended 3-31-2014	10.90	-1.47	131	1.63	0.56	—	—	39
Year ended 3-31-2013	11.20	1.54	218	1.61	0.76	—	—	55
Year ended 3-31-2012	11.16	2.89	242	1.65	1.10	—	—	40
Year ended 3-31-2011	11.04	1.72	216	1.65	1.47	—	—	54
Class E Shares								
Year ended 3-31-2015	10.92	1.48	4	1.00	1.24	1.03	1.21	39
Year ended 3-31-2014	10.90	-0.85	3	1.00	1.20	1.02	1.18	39
Year ended 3-31-2013	11.20	2.17	4	1.00	1.35	—	—	55
Year ended 3-31-2012	11.16	3.58	3	1.00	1.72	1.09	1.63	40
Year ended 3-31-2011	11.04	2.35	1	1.00	2.08	1.19	1.89	54
Class I Shares								
Year ended 3-31-2015	10.92	1.86	44	0.63	1.60	—	—	39
Year ended 3-31-2014	10.90	-0.50	49	0.64	1.54	—	—	39
Year ended 3-31-2013	11.20	2.54	117	0.64	1.72	—	—	55
Year ended 3-31-2012	11.16	3.92	102	0.66	2.07	—	—	40
Year ended 3-31-2011	11.04	2.71	51	0.68	2.43	—	—	54
Class R Shares								
Year ended 3-31-2015	10.92	1.24	1	1.23	1.00	—	—	39
Year ended 3-31-2014	10.90	-1.08	—*	1.24	0.96	—	—	39
Year ended 3-31-2013 ⁽⁵⁾	11.20	0.41	—*	1.21 ⁽⁶⁾	0.59 ⁽⁶⁾	—	—	55 ⁽⁸⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁷⁾	10.92	1.31	3	0.48 ⁽⁶⁾	1.75 ⁽⁶⁾	—	—	39 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	10.92	1.59	21	0.88	1.35	0.89	1.34	39
Year ended 3-31-2014	10.90	-0.74	26	0.89	1.30	0.90	1.29	39
Year ended 3-31-2013	11.20	2.29	58	0.88	1.48	0.89	1.47	55
Year ended 3-31-2012	11.16	3.66	51	0.90	1.85	0.92	1.84	40
Year ended 3-31-2011	11.04	2.45	54	0.93	2.19	0.94	2.18	54

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MANAGED INTERNATIONAL OPPORTUNITIES FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Distributions From Return of Capital	Total Distributions
Class A Shares								
Year ended 3-31-2015	\$10.15	\$ 0.14	\$ 0.37	\$ 0.51	\$(0.14)	\$—	\$ —	\$(0.14)
Year ended 3-31-2014	8.98	0.11	1.17	1.28	(0.11)	—	—	(0.11)
Year ended 3-31-2013	8.70	0.11	0.29	0.40	(0.12)	—	—	(0.12)
Year ended 3-31-2012	9.56	0.14	(0.86)	(0.72)	(0.14)	—	—	(0.14)
Year ended 3-31-2011	8.44	0.03	1.14	1.17	(0.03)	—	(0.02)	(0.05)
Class B Shares⁽⁵⁾								
Year ended 3-31-2015	9.99	0.06	0.36	0.42	(0.08)	—	—	(0.08)
Year ended 3-31-2014	8.85	0.03	1.17	1.20	(0.06)	—	—	(0.06)
Year ended 3-31-2013	8.59	0.04	0.29	0.33	(0.07)	—	—	(0.07)
Year ended 3-31-2012	9.48	0.06	(0.87)	(0.81)	(0.08)	—	—	(0.08)
Year ended 3-31-2011	8.38	(0.04)	1.14	1.10	—*	—	—*	—*
Class C Shares								
Year ended 3-31-2015	10.02	0.07	0.36	0.43	(0.09)	—	—	(0.09)
Year ended 3-31-2014	8.87	0.04	1.17	1.21	(0.06)	—	—	(0.06)
Year ended 3-31-2013	8.61	0.04	0.29	0.33	(0.07)	—	—	(0.07)
Year ended 3-31-2012	9.49	0.07	(0.86)	(0.79)	(0.09)	—	—	(0.09)
Year ended 3-31-2011	8.40	(0.03)	1.13	1.10	(0.01)	—	—*	(0.01)
Class E Shares⁽⁶⁾								
Year ended 3-31-2015	10.16	0.15	0.37	0.52	(0.15)	—	—	(0.15)
Year ended 3-31-2014	8.99	0.12	1.17	1.29	(0.12)	—	—	(0.12)
Year ended 3-31-2013	8.70	0.12	0.30	0.42	(0.13)	—	—	(0.13)
Year ended 3-31-2012	9.57	0.15	(0.88)	(0.73)	(0.14)	—	—	(0.14)
Year ended 3-31-2011	8.45	0.05	1.13	1.18	(0.04)	—	(0.02)	(0.06)
Class I Shares								
Year ended 3-31-2015	10.17	0.19	0.35	0.54	(0.17)	—	—	(0.17)
Year ended 3-31-2014	9.01	0.14	1.15	1.29	(0.13)	—	—	(0.13)
Year ended 3-31-2013	8.73	0.13	0.30	0.43	(0.15)	—	—	(0.15)
Year ended 3-31-2012	9.58	0.16	(0.85)	(0.69)	(0.16)	—	—	(0.16)
Year ended 3-31-2011	8.46	0.05	1.14	1.19	(0.04)	—	(0.03)	(0.07)
Class R Shares								
Year ended 3-31-2015	10.13	0.13	0.37	0.50	(0.13)	—	—	(0.13)
Year ended 3-31-2014	8.97	0.10	1.16	1.26	(0.10)	—	—	(0.10)
Year ended 3-31-2013 ⁽⁷⁾	8.88	(0.01)	0.10	0.09	—	—	—	—
Class Y Shares								
Year ended 3-31-2015	10.14	0.17	0.35	0.52	(0.15)	—	—	(0.15)
Year ended 3-31-2014	8.97	0.13	1.16	1.29	(0.12)	—	—	(0.12)
Year ended 3-31-2013	8.69	0.12	0.29	0.41	(0.13)	—	—	(0.13)
Year ended 3-31-2012	9.55	0.16	(0.88)	(0.72)	(0.14)	—	—	(0.14)
Year ended 3-31-2011	8.43	0.03	1.14	1.17	(0.03)	—	(0.02)	(0.05)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Does not include expenses of underlying Ivy Funds in which the Fund invests.

(4) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(5) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(6) Class share is closed to investment.

(7) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(8) Annualized.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver ⁽³⁾	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾⁽⁴⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾⁽⁴⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$10.52	5.17%	\$228	0.48%	1.36%	—%	—%	4%
Year ended 3-31-2014	10.15	14.33	254	0.49	1.16	—	—	21
Year ended 3-31-2013	8.98	4.65	183	0.49	1.32	—	—	21
Year ended 3-31-2012	8.70	-7.42	185	0.50	1.58	—	—	8
Year ended 3-31-2011	9.56	13.88	188	0.50	0.38	—	—	22
Class B Shares⁽⁵⁾								
Year ended 3-31-2015	10.33	4.28	2	1.36	0.60	—	—	4
Year ended 3-31-2014	9.99	13.53	3	1.39	0.28	—	—	21
Year ended 3-31-2013	8.85	3.83	2	1.40	0.44	—	—	21
Year ended 3-31-2012	8.59	-8.42	3	1.39	0.66	—	—	8
Year ended 3-31-2011	9.48	13.14	3	1.36	-0.47	—	—	22
Class C Shares								
Year ended 3-31-2015	10.36	4.32	5	1.29	0.73	—	—	4
Year ended 3-31-2014	10.02	13.57	6	1.26	0.43	—	—	21
Year ended 3-31-2013	8.87	4.01	5	1.29	0.53	—	—	21
Year ended 3-31-2012	8.61	-8.25	5	1.30	0.79	—	—	8
Year ended 3-31-2011	9.49	13.05	5	1.26	-0.38	—	—	22
Class E Shares⁽⁶⁾								
Year ended 3-31-2015	10.53	5.25	—*	0.39	1.49	—	—	4
Year ended 3-31-2014	10.16	14.38	—*	0.40	1.24	—	—	21
Year ended 3-31-2013	8.99	4.86	—*	0.39	1.44	—	—	21
Year ended 3-31-2012	8.70	-7.45	—*	0.40	1.66	—	—	8
Year ended 3-31-2011	9.57	13.94	—*	0.41	0.48	—	—	22
Class I Shares								
Year ended 3-31-2015	10.54	5.41	1	0.16	1.82	0.18	1.80	4
Year ended 3-31-2014	10.17	14.41	1	0.16	1.47	—	—	21
Year ended 3-31-2013	9.01	4.97	1	0.16	1.46	—	—	21
Year ended 3-31-2012	8.73	-7.04	1	0.15	1.89	—	—	8
Year ended 3-31-2011	9.58	14.09	—*	0.16	0.54	—	—	22
Class R Shares								
Year ended 3-31-2015	10.50	5.07	1	0.63	1.26	—	—	4
Year ended 3-31-2014	10.13	14.12	1	0.63	1.01	—	—	21
Year ended 3-31-2013 ⁽⁷⁾	8.97	1.01	—*	0.72 ⁽⁸⁾	-0.55 ⁽⁸⁾	—	—	21 ⁽⁹⁾
Class Y Shares								
Year ended 3-31-2015	10.51	5.26	2	0.38	1.63	0.47	1.54	4
Year ended 3-31-2014	10.14	14.42	2	0.40	1.33	—	—	21
Year ended 3-31-2013	8.97	4.77	1	0.38	1.42	—	—	21
Year ended 3-31-2012	8.69	-7.42	1	0.46	1.85	—	—	8
Year ended 3-31-2011	9.55	13.90	1	0.50	0.40	0.52	0.38	22

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MICRO CAP GROWTH FUND

	Net Asset Value, Beginning of Period	Net Investment Loss ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$27.31	\$(0.36)	\$(0.82)	\$(1.18)	\$ —	\$(1.40)	\$(1.40)
Year ended 3-31-2014	20.45	(0.36)	8.65	8.29	—	(1.43)	(1.43)
Year ended 3-31-2013	19.27	(0.25)	1.43	1.18	—	—	—
Year ended 3-31-2012	19.63	(0.29)	1.27	0.98	—	(1.34)	(1.34)
Year ended 3-31-2011	15.78	(0.30)	4.80	4.50	(0.05)	(0.60)	(0.65)
Class B Shares⁽³⁾							
Year ended 3-31-2015	26.23	(0.56)	(0.79)	(1.35)	—	(1.18)	(1.18)
Year ended 3-31-2014	19.86	(0.57)	8.36	7.79	—	(1.42)	(1.42)
Year ended 3-31-2013	18.93	(0.44)	1.37	0.93	—	—	—
Year ended 3-31-2012	19.27	(0.49)	1.26	0.77	—	(1.11)	(1.11)
Year ended 3-31-2011	15.63	(0.52)	4.71	4.19	—	(0.55)	(0.55)
Class C Shares							
Year ended 3-31-2015	26.56	(0.53)	(0.80)	(1.33)	—	(1.23)	(1.23)
Year ended 3-31-2014	20.05	(0.52)	8.45	7.93	—	(1.42)	(1.42)
Year ended 3-31-2013	19.04	(0.38)	1.39	1.01	—	—	—
Year ended 3-31-2012	19.42	(0.43)	1.25	0.82	—	(1.20)	(1.20)
Year ended 3-31-2011	15.69	(0.43)	4.75	4.32	—	(0.59)	(0.59)
Class I Shares							
Year ended 3-31-2015	27.65	(0.27)	(0.83)	(1.10)	—	(1.43)	(1.43)
Year ended 3-31-2014	20.65	(0.26)	8.75	8.49	—	(1.49)	(1.49)
Year ended 3-31-2013	19.37	(0.17)	1.45	1.28	—	—	—
Year ended 3-31-2012	19.73	(0.21)	1.26	1.05	—	(1.41)	(1.41)
Year ended 3-31-2011	15.79	(0.22)	4.82	4.60	(0.06)	(0.60)	(0.66)
Class R Shares							
Year ended 3-31-2015	27.27	(0.41)	(0.81)	(1.22)	—	(1.36)	(1.36)
Year ended 3-31-2014	20.45	(0.40)	8.64	8.24	—	(1.42)	(1.42)
Year ended 3-31-2013 ⁽⁴⁾	17.77	(0.10)	2.78	2.68	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁶⁾	23.73	(0.15)	3.01	2.86	—	(1.40)	(1.40)
Class Y Shares							
Year ended 3-31-2015	28.02	(0.33)	(0.84)	(1.17)	—	(1.41)	(1.41)
Year ended 3-31-2014	20.51	(0.33)	9.29	8.96	—	(1.45)	(1.45)
Year ended 3-31-2013	19.29	(0.22)	1.44	1.22	—	—	—
Year ended 3-31-2012	19.64	(0.26)	1.28	1.02	—	(1.37)	(1.37)
Year ended 3-31-2011	15.70	(0.26)	4.78	4.52	—	(0.58)	(0.58)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(4) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(5) Annualized.

(6) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Loss to Average Net Assets Including Expense Waiver	Portfolio Turnover Rate
Class A Shares						
Year ended 3-31-2015	\$24.73	-3.91%	\$199	1.64%	-1.50%	47%
Year ended 3-31-2014	27.31	41.32	213	1.64	-1.45	67
Year ended 3-31-2013	20.45	6.12	80	1.78	-1.36	51
Year ended 3-31-2012	19.27	6.56	72	1.78	-1.63	78
Year ended 3-31-2011	19.63	28.73	78	1.88	-1.69	78
Class B Shares⁽³⁾						
Year ended 3-31-2015	23.70	-4.80	2	2.54	-2.40	47
Year ended 3-31-2014	26.23	39.96	3	2.59	-2.40	67
Year ended 3-31-2013	19.86	4.97	2	2.90	-2.48	51
Year ended 3-31-2012	18.93	5.28	1	2.99	-2.84	78
Year ended 3-31-2011	19.27	27.00	1	3.20	-3.02	78
Class C Shares						
Year ended 3-31-2015	24.00	-4.63	10	2.39	-2.25	47
Year ended 3-31-2014	26.56	40.28	14	2.35	-2.15	67
Year ended 3-31-2013	20.05	5.36	5	2.55	-2.14	51
Year ended 3-31-2012	19.04	5.65	4	2.62	-2.47	78
Year ended 3-31-2011	19.42	27.72	4	2.66	-2.48	78
Class I Shares						
Year ended 3-31-2015	25.12	-3.56	21	1.24	-1.09	47
Year ended 3-31-2014	27.65	41.90	34	1.23	-1.01	67
Year ended 3-31-2013	20.65	6.66	4	1.31	-0.93	51
Year ended 3-31-2012	19.37	7.00	3	1.34	-1.19	78
Year ended 3-31-2011	19.73	29.36	3	1.41	-1.24	78
Class R Shares						
Year ended 3-31-2015	24.69	-4.08	1	1.83	-1.69	47
Year ended 3-31-2014	27.27	41.09	—*	1.84	-1.66	67
Year ended 3-31-2013 ⁽⁴⁾	20.45	15.08	—*	1.89 ⁽⁵⁾	-1.84 ⁽⁵⁾	51 ⁽⁷⁾
Class R6 Shares						
Year ended 3-31-2015 ⁽⁶⁾	25.19	12.53	2	1.08 ⁽⁵⁾	-0.94 ⁽⁵⁾	47 ⁽⁸⁾
Class Y Shares						
Year ended 3-31-2015	25.44	-3.77	2	1.49	-1.34	47
Year ended 3-31-2014	28.02	44.49	3	1.50	-1.30	67
Year ended 3-31-2013	20.51	6.32	1	1.60	-1.21	51
Year ended 3-31-2012	19.29	6.79	1	1.59	-1.45	78
Year ended 3-31-2011	19.64	29.00	1	1.67	-1.45	78

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MID CAP GROWTH FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$23.45	\$(0.12)	\$2.49	\$2.37	\$—	\$(2.39)	\$(2.39)
Year ended 3-31-2014	20.22	(0.14)	4.17	4.03	—	(0.80)	(0.80)
Year ended 3-31-2013	18.62	(0.09)	1.80	1.71	—	(0.11)	(0.11)
Year ended 3-31-2012	18.36	(0.12)	0.85	0.73	—	(0.47)	(0.47)
Year ended 3-31-2011	13.95	(0.05)	4.46	4.41	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	20.30	(0.25)	2.13	1.88	—	(2.34)	(2.34)
Year ended 3-31-2014	17.66	(0.27)	3.61	3.34	—	(0.70)	(0.70)
Year ended 3-31-2013	16.42	(0.23)	1.58	1.35	—	(0.11)	(0.11)
Year ended 3-31-2012	16.40	(0.25)	0.74	0.49	—	(0.47)	(0.47)
Year ended 3-31-2011	12.58	(0.18)	4.00	3.82	—	—	—
Class C Shares							
Year ended 3-31-2015	21.24	(0.26)	2.25	1.99	—	(2.35)	(2.35)
Year ended 3-31-2014	18.44	(0.26)	3.77	3.51	—	(0.71)	(0.71)
Year ended 3-31-2013	17.11	(0.21)	1.65	1.44	—	(0.11)	(0.11)
Year ended 3-31-2012	17.04	(0.23)	0.77	0.54	—	(0.47)	(0.47)
Year ended 3-31-2011	13.04	(0.15)	4.15	4.00	—	—	—
Class E Shares							
Year ended 3-31-2015	23.02	(0.19)	2.46	2.27	—	(2.37)	(2.37)
Year ended 3-31-2014	19.90	(0.20)	4.09	3.89	—	(0.77)	(0.77)
Year ended 3-31-2013	18.37	(0.14)	1.78	1.64	—	(0.11)	(0.11)
Year ended 3-31-2012	18.17	(0.15)	0.82	0.67	—	(0.47)	(0.47)
Year ended 3-31-2011	13.81	(0.07)	4.43	4.36	—	—	—
Class I Shares							
Year ended 3-31-2015	24.60	(0.05)	2.63	2.58	—	(2.41)	(2.41)
Year ended 3-31-2014	21.17	(0.07)	4.36	4.29	—	(0.86)	(0.86)
Year ended 3-31-2013	19.43	(0.04)	1.89	1.85	—	(0.11)	(0.11)
Year ended 3-31-2012	19.07	(0.07)	0.90	0.83	—	(0.47)	(0.47)
Year ended 3-31-2011	14.42	0.01	4.64	4.65	—	—	—
Class R Shares							
Year ended 3-31-2015	23.18	(0.18)	2.45	2.27	—	(2.37)	(2.37)
Year ended 3-31-2014	20.02	(0.19)	4.12	3.93	—	(0.77)	(0.77)
Year ended 3-31-2013	18.49	(0.15)	1.79	1.64	—	(0.11)	(0.11)
Year ended 3-31-2012	18.27	(0.16)	0.85	0.69	—	(0.47)	(0.47)
Year ended 3-31-2011	13.90	(0.08)	4.45	4.37	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	24.38	(0.02)	2.84	2.82	—	(2.39)	(2.39)
Class Y Shares							
Year ended 3-31-2015	24.18	(0.11)	2.58	2.47	—	(2.39)	(2.39)
Year ended 3-31-2014	20.83	(0.12)	4.30	4.18	—	(0.83)	(0.83)
Year ended 3-31-2013	19.17	(0.09)	1.86	1.77	—	(0.11)	(0.11)
Year ended 3-31-2012	18.86	(0.10)	0.88	0.78	—	(0.47)	(0.47)
Year ended 3-31-2011	14.29	(0.02)	4.59	4.57	—	—	—

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Loss to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$23.43	10.73%	\$1,025	1.28%	-0.50%	1.29%	-0.51%	35%
Year ended 3-31-2014	23.45	20.09	1,558	1.34	-0.63	—	—	43
Year ended 3-31-2013	20.22	9.28	1,160	1.31	-0.52	—	—	32
Year ended 3-31-2012	18.62	4.29	636	1.40	-0.69	—	—	29
Year ended 3-31-2011	18.36	31.61	369	1.49	-0.34	—	—	39
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	19.84	9.94	24	2.05	-1.26	—	—	35
Year ended 3-31-2014	20.30	19.14	26	2.10	-1.39	—	—	43
Year ended 3-31-2013	17.66	8.27	21	2.21	-1.42	—	—	32
Year ended 3-31-2012	16.42	3.33	17	2.35	-1.63	—	—	29
Year ended 3-31-2011	16.40	30.37	12	2.47	-1.32	—	—	39
Class C Shares								
Year ended 3-31-2015	20.88	10.00	343	2.01	-1.22	—	—	35
Year ended 3-31-2014	21.24	19.25	295	2.01	-1.31	—	—	43
Year ended 3-31-2013	18.44	8.46	183	2.07	-1.28	—	—	32
Year ended 3-31-2012	17.11	3.50	135	2.14	-1.44	—	—	29
Year ended 3-31-2011	17.04	30.68	69	2.16	-1.02	—	—	39
Class E Shares								
Year ended 3-31-2015	22.92	10.46	7	1.60	-0.82	1.63	-0.85	35
Year ended 3-31-2014	23.02	19.75	6	1.60	-0.90	1.71	-1.01	43
Year ended 3-31-2013	19.90	8.97	4	1.60	-0.81	1.90	-1.11	32
Year ended 3-31-2012	18.37	4.00	3	1.60	-0.88	1.97	-1.25	29
Year ended 3-31-2011	18.17	31.57	3	1.60	-0.44	2.09	-0.93	39
Class I Shares								
Year ended 3-31-2015	24.77	11.09	2,933	0.99	-0.19	—	—	35
Year ended 3-31-2014	24.60	20.52	2,098	0.99	-0.28	—	—	43
Year ended 3-31-2013	21.17	9.57	1,316	1.02	-0.24	—	—	32
Year ended 3-31-2012	19.43	4.65	788	1.05	-0.38	—	—	29
Year ended 3-31-2011	19.07	32.25	116	1.08	0.04	—	—	39
Class R Shares								
Year ended 3-31-2015	23.08	10.40	96	1.59	-0.80	—	—	35
Year ended 3-31-2014	23.18	19.83	103	1.59	-0.89	—	—	43
Year ended 3-31-2013	20.02	8.92	77	1.62	-0.82	—	—	32
Year ended 3-31-2012	18.49	4.09	50	1.63	-0.93	—	—	29
Year ended 3-31-2011	18.27	31.44	21	1.63	-0.48	—	—	39
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	24.81	12.18	27	0.84 ⁽⁶⁾	-0.15 ⁽⁶⁾	—	—	35 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	24.26	10.82	706	1.23	-0.44	—	—	35
Year ended 3-31-2014	24.18	20.21	694	1.23	-0.53	—	—	43
Year ended 3-31-2013	20.83	9.33	521	1.27	-0.48	—	—	32
Year ended 3-31-2012	19.17	4.44	439	1.25	-0.55	1.30	-0.60	29
Year ended 3-31-2011	18.86	31.98	207	1.25	-0.10	1.34	-0.19	39

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MID CAP INCOME OPPORTUNITIES FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015 ⁽⁴⁾	\$10.00	\$0.10	\$1.05	\$1.15	\$(0.05)	\$—*	\$(0.05)
Class C Shares							
Year ended 3-31-2015 ⁽⁴⁾	10.00	0.05	1.07	1.12	(0.02)	—*	(0.02)
Class E Shares							
Year ended 3-31-2015 ⁽⁴⁾	10.00	0.09	1.07	1.16	(0.05)	—*	(0.05)
Class I Shares							
Year ended 3-31-2015 ⁽⁴⁾	10.00	0.10	1.08	1.18	(0.07)	—*	(0.07)
Class R Shares							
Year ended 3-31-2015 ⁽⁴⁾	10.00	0.06	1.07	1.13	(0.03)	—*	(0.03)
Class R6 Shares							
Year ended 3-31-2015 ⁽⁴⁾	10.00	0.10	1.08	1.18	(0.07)	—*	(0.07)
Class Y Shares							
Year ended 3-31-2015 ⁽⁴⁾	10.00	0.09	1.07	1.16	(0.05)	—*	(0.05)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) For the period from October 1, 2014 (commencement of operations of the class) through March 31, 2015.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

(7) Ratio of expenses to average net assets excluding offering costs was 1.16%.

(8) Ratio of expenses to average net assets excluding offering costs was 1.88%.

(9) Ratio of expenses to average net assets excluding offering costs was 1.11%.

(10) Ratio of expenses to average net assets excluding offering costs was 0.86%.

(11) Ratio of expenses to average net assets excluding offering costs was 1.61%.

(12) Ratio of expenses to average net assets excluding offering costs was 0.86%.

(13) Ratio of expenses to average net assets excluding offering costs was 1.16 %.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015 ⁽⁴⁾	\$11.10	11.56%	\$43	1.35% ⁽⁵⁾⁽⁷⁾	1.83% ⁽⁵⁾	1.60% ⁽⁵⁾	1.58% ⁽⁵⁾	10% ⁽⁶⁾
Class C Shares								
Year ended 3-31-2015 ⁽⁴⁾	11.10	11.26	3	2.07% ⁽⁵⁾⁽⁸⁾	0.98% ⁽⁵⁾	2.22% ⁽⁵⁾	0.83% ⁽⁵⁾	10% ⁽⁶⁾
Class E Shares								
Year ended 3-31-2015 ⁽⁴⁾	11.11	11.68	2	1.30% ⁽⁵⁾⁽⁹⁾	1.70% ⁽⁵⁾	1.42% ⁽⁵⁾	1.58% ⁽⁵⁾	10% ⁽⁶⁾
Class I Shares								
Year ended 3-31-2015 ⁽⁴⁾	11.11	11.81	9	1.05% ⁽⁵⁾⁽¹⁰⁾	1.97% ⁽⁵⁾	1.32% ⁽⁵⁾	1.70% ⁽⁵⁾	10% ⁽⁶⁾
Class R Shares								
Year ended 3-31-2015 ⁽⁴⁾	11.10	11.38	2	1.80% ⁽⁵⁾⁽¹¹⁾	1.20% ⁽⁵⁾	1.92% ⁽⁵⁾	1.08% ⁽⁵⁾	10% ⁽⁶⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁴⁾	11.11	11.81	3	1.05% ⁽⁵⁾⁽¹²⁾	1.97% ⁽⁵⁾	1.18% ⁽⁵⁾	1.84% ⁽⁵⁾	10% ⁽⁶⁾
Class Y Shares								
Year ended 3-31-2015 ⁽⁴⁾	11.11	11.66	4	1.35% ⁽⁵⁾⁽¹³⁾	1.73% ⁽⁵⁾	1.57% ⁽⁵⁾	1.51% ⁽⁵⁾	10% ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MONEY MARKET FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$1.00	\$0.00	\$0.00	\$0.00	\$—*	\$—	\$—*
Year ended 3-31-2014	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2013	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2012	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2011	1.00	0.00	0.00	0.00	—*	—*	—*
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2014	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2013	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2012	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2011	1.00	0.00	0.00	0.00	—*	—*	—*
Class C Shares⁽⁴⁾							
Year ended 3-31-2015	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2014	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2013	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2012	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2011	1.00	0.00	0.00	0.00	—*	—*	—*
Class E Shares							
Year ended 3-31-2015	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2014	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2013	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2012	1.00	0.00	0.00	0.00	—*	—	—*
Year ended 3-31-2011	1.00	0.00	0.00	0.00	—*	—*	—*

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾
Class A Shares							
Year ended 3-31-2015	\$1.00	0.02%	\$119	0.17%	0.02%	0.68%	-0.49%
Year ended 3-31-2014	1.00	0.02	137	0.20	0.02	0.69	-0.47
Year ended 3-31-2013	1.00	0.02	128	0.31	0.02	0.67	-0.34
Year ended 3-31-2012	1.00	0.02	171	0.28	0.02	0.66	-0.36
Year ended 3-31-2011	1.00	0.04	159	0.43	0.02	0.69	-0.24
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	1.00	0.02	4	0.17	0.02	1.73	-1.54
Year ended 3-31-2014	1.00	0.02	7	0.20	0.02	1.74	-1.52
Year ended 3-31-2013	1.00	0.02	8	0.31	0.02	1.70	-1.37
Year ended 3-31-2012	1.00	0.02	8	0.28	0.02	1.73	-1.43
Year ended 3-31-2011	1.00	0.04	7	0.43	0.02	1.80	-1.35
Class C Shares⁽⁴⁾							
Year ended 3-31-2015	1.00	0.02	32	0.17	0.02	1.62	-1.43
Year ended 3-31-2014	1.00	0.02	34	0.20	0.02	1.63	-1.41
Year ended 3-31-2013	1.00	0.02	35	0.31	0.02	1.65	-1.32
Year ended 3-31-2012	1.00	0.02	41	0.28	0.02	1.64	-1.34
Year ended 3-31-2011	1.00	0.04	32	0.43	0.02	1.67	-1.22
Class E Shares							
Year ended 3-31-2015	1.00	0.02	6	0.17	0.02	0.74	-0.55
Year ended 3-31-2014	1.00	0.02	6	0.20	0.02	0.73	-0.51
Year ended 3-31-2013	1.00	0.02	5	0.31	0.02	0.75	-0.42
Year ended 3-31-2012	1.00	0.02	4	0.28	0.02	0.78	-0.48
Year ended 3-31-2011	1.00	0.04	3	0.43	0.02	0.79	-0.34

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MUNICIPAL BOND FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$11.74	\$0.31	\$ 0.33	\$ 0.64	\$(0.31)	\$—	\$(0.31)
Year ended 3-31-2014	12.19	0.34	(0.45)	(0.11)	(0.34)	—	(0.34)
Year ended 3-31-2013	11.88	0.34	0.31	0.65	(0.34)	—	(0.34)
Year ended 3-31-2012	10.95	0.42	0.93	1.35	(0.42)	—	(0.42)
Year ended 3-31-2011	11.16	0.43	(0.21)	0.22	(0.43)	—	(0.43)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	11.74	0.22	0.33	0.55	(0.22)	—	(0.22)
Year ended 3-31-2014	12.19	0.25	(0.45)	(0.20)	(0.25)	—	(0.25)
Year ended 3-31-2013	11.88	0.25	0.31	0.56	(0.25)	—	(0.25)
Year ended 3-31-2012	10.95	0.33	0.93	1.26	(0.33)	—	(0.33)
Year ended 3-31-2011	11.16	0.34	(0.21)	0.13	(0.34)	—	(0.34)
Class C Shares							
Year ended 3-31-2015	11.74	0.22	0.33	0.55	(0.22)	—	(0.22)
Year ended 3-31-2014	12.19	0.25	(0.45)	(0.20)	(0.25)	—	(0.25)
Year ended 3-31-2013	11.88	0.25	0.31	0.56	(0.25)	—	(0.25)
Year ended 3-31-2012	10.95	0.33	0.93	1.26	(0.33)	—	(0.33)
Year ended 3-31-2011	11.16	0.34	(0.21)	0.13	(0.34)	—	(0.34)
Class I Shares							
Year ended 3-31-2015	11.74	0.33	0.34	0.67	(0.34)	—	(0.34)
Year ended 3-31-2014	12.19	0.36	(0.45)	(0.09)	(0.36)	—	(0.36)
Year ended 3-31-2013	11.88	0.36	0.31	0.67	(0.36)	—	(0.36)
Year ended 3-31-2012	10.95	0.44	0.93	1.37	(0.44)	—	(0.44)
Year ended 3-31-2011	11.16	0.45	(0.21)	0.24	(0.45)	—	(0.45)
Class Y Shares							
Year ended 3-31-2015	11.74	0.31	0.33	0.64	(0.31)	—	(0.31)
Year ended 3-31-2014	12.19	0.34	(0.45)	(0.11)	(0.34)	—	(0.34)
Year ended 3-31-2013	11.88	0.34	0.31	0.65	(0.34)	—	(0.34)
Year ended 3-31-2012	10.95	0.42	0.93	1.35	(0.42)	—	(0.42)
Year ended 3-31-2011	11.16	0.43	(0.21)	0.22	(0.43)	—	(0.43)

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$12.07	5.51%	\$148	1.01%	2.60%	—%	—%	8%
Year ended 3-31-2014	11.74	-0.86	113	1.02	2.90	—	—	7
Year ended 3-31-2013	12.19	5.50	133	1.01	2.77	—	—	6
Year ended 3-31-2012	11.88	12.49	97	1.06	3.60	—	—	4
Year ended 3-31-2011	10.95	1.89	64	1.10	3.79	—	—	6
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	12.07	4.71	2	1.77	1.87	—	—	8
Year ended 3-31-2014	11.74	-1.63	2	1.79	2.12	—	—	7
Year ended 3-31-2013	12.19	4.72	4	1.75	2.04	—	—	6
Year ended 3-31-2012	11.88	11.67	3	1.81	2.83	—	—	4
Year ended 3-31-2011	10.95	1.10	2	1.88	3.00	—	—	6
Class C Shares								
Year ended 3-31-2015	12.07	4.72	24	1.76	1.86	—	—	8
Year ended 3-31-2014	11.74	-1.62	21	1.78	2.12	—	—	7
Year ended 3-31-2013	12.19	4.71	31	1.76	2.03	—	—	6
Year ended 3-31-2012	11.88	11.65	28	1.82	2.85	—	—	4
Year ended 3-31-2011	10.95	1.12	20	1.86	3.02	—	—	6
Class I Shares								
Year ended 3-31-2015	12.07	5.73	5	0.80	2.75	—	—	8
Year ended 3-31-2014	11.74	-0.65	2	0.81	3.11	—	—	7
Year ended 3-31-2013	12.19	5.72	2	0.80	2.94	—	—	6
Year ended 3-31-2012	11.88	12.75	1	0.85	3.79	—	—	4
Year ended 3-31-2011	10.95	2.10	1	0.88	4.02	—	—	6
Class Y Shares								
Year ended 3-31-2015	12.07	5.52	1	1.01	2.60	1.05	2.56	8
Year ended 3-31-2014	11.74	-0.87	1	1.02	2.89	1.06	2.85	7
Year ended 3-31-2013	12.19	5.49	1	1.01	2.78	1.06	2.73	6
Year ended 3-31-2012	11.88	12.51	1	1.06	3.63	1.11	3.58	4
Year ended 3-31-2011	10.95	1.90	1	1.10	3.78	1.13	3.75	6

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY MUNICIPAL HIGH INCOME FUND

	Net Asset Value, Beginning of Period	Net Investment Income ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$5.03	\$0.23	\$ 0.28	\$ 0.51	\$(0.23)	\$ —	\$(0.23)
Year ended 3-31-2014	5.47	0.24	(0.42)	(0.18)	(0.24)	(0.02)	(0.26)
Year ended 3-31-2013	5.23	0.21	0.24	0.45	(0.21)	—	(0.21)
Year ended 3-31-2012	4.75	0.25	0.48	0.73	(0.25)	—	(0.25)
Year ended 3-31-2011	4.84	0.22	(0.09)	0.13	(0.22)	—*	(0.22)
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	5.03	0.19	0.28	0.47	(0.19)	—	(0.19)
Year ended 3-31-2014	5.47	0.20	(0.42)	(0.22)	(0.20)	(0.02)	(0.22)
Year ended 3-31-2013	5.23	0.17	0.24	0.41	(0.17)	—	(0.17)
Year ended 3-31-2012	4.75	0.20	0.49	0.69	(0.21)	—	(0.21)
Year ended 3-31-2011	4.84	0.18	(0.09)	0.09	(0.18)	—*	(0.18)
Class C Shares							
Year ended 3-31-2015	5.03	0.19	0.28	0.47	(0.19)	—	(0.19)
Year ended 3-31-2014	5.47	0.20	(0.42)	(0.22)	(0.20)	(0.02)	(0.22)
Year ended 3-31-2013	5.23	0.17	0.24	0.41	(0.17)	—	(0.17)
Year ended 3-31-2012	4.75	0.21	0.48	0.69	(0.21)	—	(0.21)
Year ended 3-31-2011	4.84	0.19	(0.09)	0.10	(0.19)	—*	(0.19)
Class I Shares							
Year ended 3-31-2015	5.03	0.24	0.28	0.52	(0.24)	—	(0.24)
Year ended 3-31-2014	5.47	0.24	(0.42)	(0.18)	(0.24)	(0.02)	(0.26)
Year ended 3-31-2013	5.23	0.22	0.24	0.46	(0.22)	—	(0.22)
Year ended 3-31-2012	4.75	0.25	0.48	0.73	(0.25)	—	(0.25)
Year ended 3-31-2011	4.84	0.24	(0.09)	0.15	(0.24)	—*	(0.24)
Class Y Shares							
Year ended 3-31-2015	5.03	0.23	0.28	0.51	(0.23)	—	(0.23)
Year ended 3-31-2014	5.47	0.24	(0.42)	(0.18)	(0.24)	(0.02)	(0.26)
Year ended 3-31-2013	5.23	0.21	0.24	0.45	(0.21)	—	(0.21)
Year ended 3-31-2012	4.75	0.24	0.49	0.73	(0.25)	—	(0.25)
Year ended 3-31-2011	4.84	0.22	(0.09)	0.13	(0.22)	—*	(0.22)

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$5.31	10.29%	\$377	0.85%	4.46%	0.87%	4.44%	9%
Year ended 3-31-2014	5.03	-3.32	366	0.86	4.58	0.87	4.57	21
Year ended 3-31-2013	5.47	8.71	545	0.84	3.91	0.85	3.90	9
Year ended 3-31-2012	5.23	15.62	384	0.87	4.88	0.90	4.85	4
Year ended 3-31-2011	4.75	2.71	146	0.94	4.63	0.98	4.59	13
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	5.31	9.44	15	1.62	3.69	1.64	3.67	9
Year ended 3-31-2014	5.03	-4.07	15	1.64	3.82	1.65	3.81	21
Year ended 3-31-2013	5.47	7.86	19	1.62	3.12	1.63	3.11	9
Year ended 3-31-2012	5.23	14.70	12	1.67	4.07	1.70	4.04	4
Year ended 3-31-2011	4.75	1.87	4	1.72	3.82	1.76	3.78	13
Class C Shares								
Year ended 3-31-2015	5.31	9.50	238	1.58	3.72	1.60	3.70	9
Year ended 3-31-2014	5.03	-4.04	216	1.60	3.84	1.61	3.83	21
Year ended 3-31-2013	5.47	7.92	323	1.57	3.17	1.59	3.15	9
Year ended 3-31-2012	5.23	14.77	198	1.62	4.12	1.65	4.09	4
Year ended 3-31-2011	4.75	1.91	65	1.67	3.89	1.71	3.85	13
Class I Shares								
Year ended 3-31-2015	5.31	10.50	703	0.68	4.62	0.70	4.60	9
Year ended 3-31-2014	5.03	-3.16	586	0.69	4.76	0.70	4.75	21
Year ended 3-31-2013	5.47	8.88	749	0.68	4.06	0.69	4.05	9
Year ended 3-31-2012	5.23	15.82	416	0.70	5.04	0.74	5.00	4
Year ended 3-31-2011	4.75	2.98	131	0.70	4.90	0.79	4.81	13
Class Y Shares								
Year ended 3-31-2015	5.31	10.35	21	0.85	4.39	0.95	4.29	9
Year ended 3-31-2014	5.03	-3.32	15	0.85	4.52	0.95	4.42	21
Year ended 3-31-2013	5.47	8.71	34	0.84	3.92	0.94	3.82	9
Year ended 3-31-2012	5.23	15.65	26	0.87	4.83	0.99	4.71	4
Year ended 3-31-2011	4.75	2.73	6	0.94	4.76	1.05	4.65	13

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY SMALL CAP GROWTH FUND

	Net Asset Value, Beginning of Period	Net Investment Loss ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$18.51	\$(0.14)	\$ 1.52	\$ 1.38	\$—	\$(1.18)	\$(1.18)
Year ended 3-31-2014	16.33	(0.19)	4.04	3.85	—	(1.67)	(1.67)
Year ended 3-31-2013	14.51	(0.14)	2.35	2.21	—	(0.39)	(0.39)
Year ended 3-31-2012	15.39	(0.17)	(0.21)	(0.38)	—	(0.50)	(0.50)
Year ended 3-31-2011	11.40	(0.13)	4.12	3.99	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	15.47	(0.25)	1.24	0.99	—	(1.18)	(1.18)
Year ended 3-31-2014	13.95	(0.30)	3.42	3.12	—	(1.60)	(1.60)
Year ended 3-31-2013	12.57	(0.25)	2.02	1.77	—	(0.39)	(0.39)
Year ended 3-31-2012	13.56	(0.28)	(0.21)	(0.49)	—	(0.50)	(0.50)
Year ended 3-31-2011	10.15	(0.23)	3.64	3.41	—	—	—
Class C Shares							
Year ended 3-31-2015	16.35	(0.23)	1.33	1.10	—	(1.18)	(1.18)
Year ended 3-31-2014	14.63	(0.28)	3.60	3.32	—	(1.60)	(1.60)
Year ended 3-31-2013	13.12	(0.21)	2.11	1.90	—	(0.39)	(0.39)
Year ended 3-31-2012	14.07	(0.24)	(0.21)	(0.45)	—	(0.50)	(0.50)
Year ended 3-31-2011	10.49	(0.20)	3.78	3.58	—	—	—
Class E Shares							
Year ended 3-31-2015	18.43	(0.16)	1.51	1.35	—	(1.18)	(1.18)
Year ended 3-31-2014	16.27	(0.22)	4.03	3.81	—	(1.65)	(1.65)
Year ended 3-31-2013	14.47	(0.15)	2.34	2.19	—	(0.39)	(0.39)
Year ended 3-31-2012	15.36	(0.18)	(0.21)	(0.39)	—	(0.50)	(0.50)
Year ended 3-31-2011	11.38	(0.14)	4.12	3.98	—	—	—
Class I Shares							
Year ended 3-31-2015	22.19	(0.09)	1.85	1.76	—	(1.18)	(1.18)
Year ended 3-31-2014	19.26	(0.15)	4.80	4.65	—	(1.72)	(1.72)
Year ended 3-31-2013	16.98	(0.09)	2.76	2.67	—	(0.39)	(0.39)
Year ended 3-31-2012	17.83	(0.13)	(0.22)	(0.35)	—	(0.50)	(0.50)
Year ended 3-31-2011	13.14	(0.09)	4.78	4.69	—	—	—
Class R Shares							
Year ended 3-31-2015	18.41	(0.18)	1.50	1.32	—	(1.18)	(1.18)
Year ended 3-31-2014	16.26	(0.23)	4.02	3.79	—	(1.64)	(1.64)
Year ended 3-31-2013	14.48	(0.17)	2.34	2.17	—	(0.39)	(0.39)
Year ended 3-31-2012	15.38	(0.19)	(0.21)	(0.40)	—	(0.50)	(0.50)
Year ended 3-31-2011	11.40	(0.15)	4.13	3.98	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁵⁾	20.97	(0.02)	3.02	3.00	—	(1.18)	(1.18)
Class Y Shares							
Year ended 3-31-2015	21.42	(0.14)	1.78	1.64	—	(1.18)	(1.18)
Year ended 3-31-2014	18.66	(0.20)	4.64	4.44	—	(1.68)	(1.68)
Year ended 3-31-2013	16.50	(0.13)	2.68	2.55	—	(0.39)	(0.39)
Year ended 3-31-2012	17.38	(0.16)	(0.22)	(0.38)	—	(0.50)	(0.50)
Year ended 3-31-2011	12.85	(0.12)	4.65	4.53	—	—	—

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Loss to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Loss to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$18.71	8.03%	\$384	1.43%	-0.80%	—%	—%	43%
Year ended 3-31-2014	18.51	24.27	406	1.43	-1.07	—	—	45
Year ended 3-31-2013	16.33	15.70	281	1.49	-0.97	—	—	38
Year ended 3-31-2012	14.51	-1.98	241	1.50	-1.21	—	—	65
Year ended 3-31-2011	15.39	35.00	240	1.51	-1.05	—	—	53
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	15.28	7.07	11	2.31	-1.69	—	—	43
Year ended 3-31-2014	15.47	23.14	13	2.34	-1.99	—	—	45
Year ended 3-31-2013	13.95	14.61	11	2.49	-1.96	—	—	38
Year ended 3-31-2012	12.57	-3.07	10	2.57	-2.27	—	—	65
Year ended 3-31-2011	13.56	33.60	11	2.54	-2.08	—	—	53
Class C Shares								
Year ended 3-31-2015	16.27	7.36	207	2.07	-1.44	—	—	43
Year ended 3-31-2014	16.35	23.43	225	2.08	-1.73	—	—	45
Year ended 3-31-2013	14.63	15.00	189	2.13	-1.61	—	—	38
Year ended 3-31-2012	13.12	-2.67	181	2.17	-1.87	—	—	65
Year ended 3-31-2011	14.07	34.13	207	2.18	-1.71	—	—	53
Class E Shares								
Year ended 3-31-2015	18.60	7.90	6	1.56	-0.92	1.79	-1.15	43
Year ended 3-31-2014	18.43	24.13	5	1.56	-1.21	1.87	-1.52	45
Year ended 3-31-2013	16.27	15.61	3	1.56	-1.03	2.06	-1.53	38
Year ended 3-31-2012	14.47	-2.05	3	1.56	-1.27	2.08	-1.79	65
Year ended 3-31-2011	15.36	34.97	3	1.56	-1.08	2.17	-1.69	53
Class I Shares								
Year ended 3-31-2015	22.77	8.42	214	1.06	-0.43	—	—	43
Year ended 3-31-2014	22.19	24.78	246	1.06	-0.71	—	—	45
Year ended 3-31-2013	19.26	16.13	176	1.07	-0.54	—	—	38
Year ended 3-31-2012	16.98	-1.54	119	1.07	-0.79	—	—	65
Year ended 3-31-2011	17.83	35.69	84	1.07	-0.61	—	—	53
Class R Shares								
Year ended 3-31-2015	18.55	7.74	45	1.66	-1.02	—	—	43
Year ended 3-31-2014	18.41	23.99	42	1.66	-1.30	—	—	45
Year ended 3-31-2013	16.26	15.45	22	1.67	-1.15	—	—	38
Year ended 3-31-2012	14.48	-2.11	17	1.66	-1.37	—	—	65
Year ended 3-31-2011	15.38	34.91	15	1.62	-1.16	—	—	53
Class R6 Shares								
Year ended 3-31-2015 ⁽⁵⁾	22.79	14.83	22	0.90 ⁽⁶⁾	-0.12 ⁽⁶⁾	—	—	43 ⁽⁷⁾
Class Y Shares								
Year ended 3-31-2015	21.88	8.16	262	1.30	-0.68	—	—	43
Year ended 3-31-2014	21.42	24.45	276	1.30	-0.95	—	—	45
Year ended 3-31-2013	18.66	15.87	220	1.31	-0.79	—	—	38
Year ended 3-31-2012	16.50	-1.75	207	1.32	-1.03	—	—	65
Year ended 3-31-2011	17.38	35.25	222	1.33	-0.86	—	—	53

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY SMALL CAP VALUE FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$18.32	\$(0.04)	\$ 0.99	\$ 0.95	\$ —	\$(1.80)	\$(1.80)
Year ended 3-31-2014	17.23	(0.11)	3.55	3.44	(0.07)	(2.28)	(2.35)
Year ended 3-31-2013	14.96	0.02	2.82	2.84	—	(0.57)	(0.57)
Year ended 3-31-2012	18.12	0.00	(1.69)	(1.69)	(0.01)	(1.46)	(1.47)
Year ended 3-31-2011	14.99	0.03	3.10	3.13	—	—	—
Class B Shares⁽³⁾							
Year ended 3-31-2015	16.10	(0.18)	0.84	0.66	—	(1.75)	(1.75)
Year ended 3-31-2014	15.39	(0.25)	3.14	2.89	(0.02)	(2.16)	(2.18)
Year ended 3-31-2013	13.48	(0.13)	2.50	2.37	—	(0.46)	(0.46)
Year ended 3-31-2012	16.66	(0.15)	(1.57)	(1.72)	—	(1.46)	(1.46)
Year ended 3-31-2011	13.95	(0.15)	2.86	2.71	—	—	—
Class C Shares							
Year ended 3-31-2015	16.76	(0.14)	0.89	0.75	—	(1.77)	(1.77)
Year ended 3-31-2014	15.94	(0.21)	3.26	3.05	(0.04)	(2.19)	(2.23)
Year ended 3-31-2013	13.92	(0.08)	2.60	2.52	—	(0.50)	(0.50)
Year ended 3-31-2012	17.09	(0.10)	(1.61)	(1.71)	—	(1.46)	(1.46)
Year ended 3-31-2011	14.25	(0.08)	2.92	2.84	—	—	—
Class E Shares⁽⁴⁾							
Year ended 3-31-2015	18.76	0.03	1.01	1.04	—	(1.87)	(1.87)
Year ended 3-31-2014	17.59	(0.04)	3.63	3.59	(0.09)	(2.33)	(2.42)
Year ended 3-31-2013	15.25	0.10	2.85	2.95	—	(0.61)	(0.61)
Year ended 3-31-2012	18.43	0.07	(1.71)	(1.64)	(0.08)	(1.46)	(1.54)
Year ended 3-31-2011	15.19	0.10	3.14	3.24	—	—	—
Class I Shares							
Year ended 3-31-2015	19.29	0.05	1.04	1.09	—	(1.89)	(1.89)
Year ended 3-31-2014	18.03	(0.02)	3.72	3.70	(0.10)	(2.34)	(2.44)
Year ended 3-31-2013	15.61	0.11	2.94	3.05	—	(0.63)	(0.63)
Year ended 3-31-2012	18.83	0.07	(1.73)	(1.66)	(0.10)	(1.46)	(1.56)
Year ended 3-31-2011	15.49	0.13	3.21	3.34	—	—	—
Class R Shares							
Year ended 3-31-2015	18.31	(0.06)	0.98	0.92	—	(1.79)	(1.79)
Year ended 3-31-2014	17.23	(0.13)	3.54	3.41	(0.07)	(2.26)	(2.33)
Year ended 3-31-2013 ⁽⁵⁾	15.24	(0.02)	2.01	1.99	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁷⁾	18.96	0.08	1.36	1.44	—	(1.84)	(1.84)
Class Y Shares							
Year ended 3-31-2015	18.94	(0.02)	1.04	1.02	—	(1.84)	(1.84)
Year ended 3-31-2014	17.74	(0.07)	3.66	3.59	(0.08)	(2.31)	(2.39)
Year ended 3-31-2013	15.38	0.01	2.95	2.96	—	(0.60)	(0.60)
Year ended 3-31-2012	18.58	0.04	(1.72)	(1.68)	(0.06)	(1.46)	(1.52)
Year ended 3-31-2011	15.33	0.08	3.17	3.25	—	—	—

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(4) Class share is closed to investment.

(5) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(6) Annualized.

(7) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Portfolio Turnover Rate
Class A Shares						
Year ended 3-31-2015	\$17.47	5.74%	\$240	1.54%	-0.20%	106%
Year ended 3-31-2014	18.32	21.10	244	1.57	-0.62	61
Year ended 3-31-2013	17.23	19.49	226	1.66	0.15	52
Year ended 3-31-2012	14.96	-8.06	209	1.67	0.00	50
Year ended 3-31-2011	18.12	20.88	254	1.65	0.19	73
Class B Shares⁽³⁾						
Year ended 3-31-2015	15.01	4.68	3	2.50	-1.17	106
Year ended 3-31-2014	16.10	19.87	4	2.58	-1.63	61
Year ended 3-31-2013	15.39	18.22	4	2.78	-0.97	52
Year ended 3-31-2012	13.48	-9.09	4	2.78	-1.09	50
Year ended 3-31-2011	16.66	19.43	6	2.85	-1.07	73
Class C Shares						
Year ended 3-31-2015	15.74	5.02	18	2.21	-0.89	106
Year ended 3-31-2014	16.76	20.24	19	2.25	-1.30	61
Year ended 3-31-2013	15.94	18.74	16	2.35	-0.54	52
Year ended 3-31-2012	13.92	-8.80	16	2.40	-0.72	50
Year ended 3-31-2011	17.09	19.93	19	2.42	-0.57	73
Class E Shares⁽⁴⁾						
Year ended 3-31-2015	17.93	6.08	—*	1.21	0.14	106
Year ended 3-31-2014	18.76	21.56	—*	1.21	-0.26	61
Year ended 3-31-2013	17.59	20.03	—*	1.22	0.61	52
Year ended 3-31-2012	15.25	-7.68	—*	1.23	0.44	50
Year ended 3-31-2011	18.43	21.33	—*	1.24	0.61	73
Class I Shares						
Year ended 3-31-2015	18.49	6.20	29	1.10	0.26	106
Year ended 3-31-2014	19.29	21.67	26	1.10	-0.15	61
Year ended 3-31-2013	18.03	20.17	19	1.11	0.72	52
Year ended 3-31-2012	15.61	-7.59	16	1.11	0.48	50
Year ended 3-31-2011	18.83	21.56	4	1.12	0.78	73
Class R Shares						
Year ended 3-31-2015	17.44	5.57	2	1.70	-0.32	106
Year ended 3-31-2014	18.31	20.91	1	1.70	-0.78	61
Year ended 3-31-2013 ⁽⁵⁾	17.23	13.06	—*	1.68 ⁽⁶⁾	-0.44 ⁽⁶⁾	52 ⁽⁸⁾
Class R6 Shares						
Year ended 3-31-2015 ⁽⁷⁾	18.56	8.17	3	0.96 ⁽⁶⁾	0.70 ⁽⁶⁾	106 ⁽⁹⁾
Class Y Shares						
Year ended 3-31-2015	18.12	5.93	10	1.36	-0.09	106
Year ended 3-31-2014	18.94	21.35	10	1.33	-0.39	61
Year ended 3-31-2013	17.74	19.85	7	1.41	0.05	52
Year ended 3-31-2012	15.38	-7.87	22	1.39	0.28	50
Year ended 3-31-2011	18.58	21.20	26	1.39	0.47	73

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY TAX-MANAGED EQUITY FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$16.84	\$(0.02)	\$2.86	\$2.84	\$ —	\$(0.37)	\$(0.37)
Year ended 3-31-2014	14.13	(0.05)	3.23	3.18	—	(0.47)	(0.47)
Year ended 3-31-2013	13.15	0.05	0.99	1.04	(0.06)	—	(0.06)
Year ended 3-31-2012	12.15	(0.03)	1.03	1.00	—	—	—
Year ended 3-31-2011	10.78	(0.10)	1.47	1.37	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	16.45	(0.14)	2.79	2.65	—	(0.37)	(0.37)
Year ended 3-31-2014	13.87	(0.14)	3.15	3.01	—	(0.43)	(0.43)
Year ended 3-31-2013	12.92	(0.03)	0.99	0.96	(0.01)	—	(0.01)
Year ended 3-31-2012	12.01	(0.10)	1.01	0.91	—	—	—
Year ended 3-31-2011	10.72	(0.17)	1.46	1.29	—	—	—
Class C Shares							
Year ended 3-31-2015	16.42	(0.15)	2.79	2.64	—	(0.37)	(0.37)
Year ended 3-31-2014	13.85	(0.15)	3.15	3.00	—	(0.43)	(0.43)
Year ended 3-31-2013	12.91	(0.03)	0.97	0.94	—	—	—
Year ended 3-31-2012	12.01	(0.11)	1.01	0.90	—	—	—
Year ended 3-31-2011	10.72	(0.17)	1.46	1.29	—	—	—
Class I Shares							
Year ended 3-31-2015	16.93	0.02	2.89	2.91	—	(0.37)	(0.37)
Year ended 3-31-2014	14.20	0.00	3.23	3.23	—	(0.50)	(0.50)
Year ended 3-31-2013	13.27	0.09	0.92	1.01	(0.08)	—	(0.08)
Year ended 3-31-2012	12.22	0.00	1.05	1.05	—	—	—
Year ended 3-31-2011	10.81	(0.08)	1.49	1.41	—	—	—
Class Y Shares							
Year ended 3-31-2015	16.86	(0.03)	2.88	2.85	—	(0.37)	(0.37)
Year ended 3-31-2014	14.15	(0.04)	3.23	3.19	—	(0.48)	(0.48)
Year ended 3-31-2013	13.16	0.05	1.00	1.05	(0.06)	—	(0.06)
Year ended 3-31-2012	12.15	(0.02)	1.03	1.01	—	—	—
Year ended 3-31-2011	10.78	(0.10)	1.47	1.37	—	—	—

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$19.31	17.00%	\$71	1.29%	-0.13%	—%	—%	36%
Year ended 3-31-2014	16.84	22.65	40	1.43	-0.30	—	—	32
Year ended 3-31-2013	14.13	7.91	24	1.14	0.34	1.63	-0.15	26
Year ended 3-31-2012	13.15	8.23	15	1.32	-0.27	1.97	-0.92	26
Year ended 3-31-2011	12.15	12.71	9	2.10	-0.93	2.75	-1.58	41
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	18.73	16.25	1	1.95	-0.82	—	—	36
Year ended 3-31-2014	16.45	21.80	1	2.06	-0.92	—	—	32
Year ended 3-31-2013	13.87	7.41	1	1.69	-0.22	2.19	-0.72	26
Year ended 3-31-2012	12.92	7.58	1	1.90	-0.85	2.55	-1.50	26
Year ended 3-31-2011	12.01	12.03	1	2.74	-1.56	3.39	-2.21	41
Class C Shares								
Year ended 3-31-2015	18.69	16.21	2	2.01	-0.86	—	—	36
Year ended 3-31-2014	16.42	21.76	2	2.09	-0.96	—	—	32
Year ended 3-31-2013	13.85	7.28	1	1.76	-0.24	2.26	-0.74	26
Year ended 3-31-2012	12.91	7.49	1	1.97	-0.92	2.62	-1.57	26
Year ended 3-31-2011	12.01	12.03	1	2.75	-1.57	3.40	-2.22	41
Class I Shares								
Year ended 3-31-2015	19.47	17.33	4	1.04	0.10	—	—	36
Year ended 3-31-2014	16.93	22.91	1	1.15	-0.02	—	—	32
Year ended 3-31-2013	14.20	7.70	1	0.80	0.68	1.30	0.18	26
Year ended 3-31-2012	13.27	8.59	1	1.02	0.03	1.67	-0.62	26
Year ended 3-31-2011	12.22	13.04	1	1.87	-0.70	2.52	-1.35	41
Class Y Shares								
Year ended 3-31-2015	19.34	17.04	1	1.29	-0.16	—	—	36
Year ended 3-31-2014	16.86	22.56	1	1.41	-0.27	—	—	32
Year ended 3-31-2013	14.15	8.12	1	1.02	0.39	1.51	-0.10	26
Year ended 3-31-2012	13.16	8.31	1	1.25	-0.17	1.90	-0.82	26
Year ended 3-31-2011	12.15	12.71	1	2.09	-0.91	2.74	-1.56	41

See Accompanying Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

Ivy Funds

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY VALUE FUND

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) ⁽¹⁾	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Class A Shares							
Year ended 3-31-2015	\$23.82	\$ 0.12	\$ 1.25	\$ 1.37	\$(0.06)	\$(1.73)	\$(1.79)
Year ended 3-31-2014	20.30	0.07	4.42	4.49	(0.04)	(0.93)	(0.97)
Year ended 3-31-2013	17.57	0.15	2.73	2.88	(0.15)	—*	(0.15)
Year ended 3-31-2012	17.93	0.13	(0.19)	(0.06)	(0.12)	(0.18)	(0.30)
Year ended 3-31-2011	15.56	(0.02)	2.39	2.37	—	—	—
Class B Shares⁽⁴⁾							
Year ended 3-31-2015	22.53	(0.10)	1.19	1.09	—	(1.58)	(1.58)
Year ended 3-31-2014	19.28	(0.12)	4.19	4.07	—	(0.82)	(0.82)
Year ended 3-31-2013	16.72	(0.03)	2.59	2.56	—	—*	—*
Year ended 3-31-2012	17.15	(0.07)	(0.18)	(0.25)	—	(0.18)	(0.18)
Year ended 3-31-2011	15.12	(0.25)	2.28	2.03	—	—	—
Class C Shares							
Year ended 3-31-2015	23.18	(0.05)	1.22	1.17	—	(1.62)	(1.62)
Year ended 3-31-2014	19.80	(0.09)	4.31	4.22	—	(0.84)	(0.84)
Year ended 3-31-2013	17.16	0.02	2.67	2.69	(0.05)	—*	(0.05)
Year ended 3-31-2012	17.53	0.00	(0.17)	(0.17)	(0.02)	(0.18)	(0.20)
Year ended 3-31-2011	15.34	(0.14)	2.33	2.19	—	—	—
Class E Shares⁽⁵⁾							
Year ended 3-31-2015	23.90	0.17	1.27	1.44	(0.10)	(1.75)	(1.85)
Year ended 3-31-2014	20.36	0.11	4.44	4.55	(0.09)	(0.92)	(1.01)
Year ended 3-31-2013	17.61	0.20	2.74	2.94	(0.19)	—*	(0.19)
Year ended 3-31-2012	18.03	0.18	(0.19)	(0.01)	(0.23)	(0.18)	(0.41)
Year ended 3-31-2011	15.60	0.04	2.39	2.43	—	—	—
Class I Shares							
Year ended 3-31-2015	23.90	0.19	1.28	1.47	(0.11)	(1.76)	(1.87)
Year ended 3-31-2014	20.36	0.14	4.44	4.58	(0.11)	(0.93)	(1.04)
Year ended 3-31-2013	17.61	0.22	2.74	2.96	(0.21)	—*	(0.21)
Year ended 3-31-2012	18.05	0.21	(0.20)	0.01	(0.27)	(0.18)	(0.45)
Year ended 3-31-2011	15.60	0.08	2.37	2.45	—	—	—
Class R Shares							
Year ended 3-31-2015	23.79	0.05	1.26	1.31	(0.01)	(1.72)	(1.73)
Year ended 3-31-2014	20.28	0.01	4.41	4.42	(0.01)	(0.90)	(0.91)
Year ended 3-31-2013 ⁽⁶⁾	18.17	0.04	2.07	2.11	—	—	—
Class R6 Shares							
Year ended 3-31-2015 ⁽⁸⁾	24.96	0.18	0.25	0.43	(0.10)	(1.73)	(1.83)
Class Y Shares							
Year ended 3-31-2015	23.86	0.14	1.26	1.40	(0.07)	(1.74)	(1.81)
Year ended 3-31-2014	20.33	0.09	4.43	4.52	(0.06)	(0.93)	(0.99)
Year ended 3-31-2013	17.59	0.17	2.75	2.92	(0.18)	—*	(0.18)
Year ended 3-31-2012	17.99	0.14	(0.17)	(0.03)	(0.19)	(0.18)	(0.37)
Year ended 3-31-2011	15.58	0.02	2.39	2.41	—	—	—

* Not shown due to rounding.

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3) Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

(4) These class shares are not available for direct investment. However, they are available for dividend reinvestment and exchange of the same class shares of another Ivy Fund or Waddell & Reed Advisors Fund.

(5) Class share is closed to investment.

(6) For the period from December 19, 2012 (commencement of operations of the class) through March 31, 2013.

(7) Annualized.

(8) For the period from July 31, 2014 (commencement of operations of the class) through March 31, 2015.

(9) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2013.

(10) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the year ended March 31, 2015.

	Net Asset Value, End of Period	Total Return ⁽²⁾	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income (Loss) to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver ⁽³⁾	Ratio of Net Investment Loss to Average Net Assets Excluding Expense Waiver ⁽³⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 3-31-2015	\$23.40	5.71%	\$295	1.27%	0.48%	—%	—%	82%
Year ended 3-31-2014	23.82	22.44	248	1.31	0.30	—	—	58
Year ended 3-31-2013	20.30	16.59	156	1.43	0.82	—	—	57
Year ended 3-31-2012	17.57	-0.13	106	1.53	0.77	—	—	54
Year ended 3-31-2011	17.93	15.23	87	1.59	-0.12	1.66	-0.19	40
Class B Shares⁽⁴⁾								
Year ended 3-31-2015	22.04	4.80	4	2.18	-0.43	—	—	82
Year ended 3-31-2014	22.53	21.35	6	2.17	-0.57	—	—	58
Year ended 3-31-2013	19.28	15.40	5	2.43	-0.16	—	—	57
Year ended 3-31-2012	16.72	-1.34	3	2.78	-0.47	—	—	54
Year ended 3-31-2011	17.15	13.43	3	3.12	-1.66	—	—	40
Class C Shares								
Year ended 3-31-2015	22.73	5.00	22	1.97	-0.22	—	—	82
Year ended 3-31-2014	23.18	21.64	14	2.01	-0.41	—	—	58
Year ended 3-31-2013	19.80	15.77	9	2.13	0.12	—	—	57
Year ended 3-31-2012	17.16	-0.85	8	2.25	0.02	—	—	54
Year ended 3-31-2011	17.53	14.28	8	2.40	-0.92	—	—	40
Class E Shares⁽⁵⁾								
Year ended 3-31-2015	23.49	5.98	—*	1.05	0.70	—	—	82
Year ended 3-31-2014	23.90	22.73	—*	1.09	0.51	—	—	58
Year ended 3-31-2013	20.36	16.93	—*	1.14	1.11	—	—	57
Year ended 3-31-2012	17.61	0.26	—*	1.18	1.08	—	—	54
Year ended 3-31-2011	18.03	15.58	—*	1.24	0.22	—	—	40
Class I Shares								
Year ended 3-31-2015	23.50	6.13	15	0.94	0.79	—	—	82
Year ended 3-31-2014	23.90	22.85	5	0.99	0.63	—	—	58
Year ended 3-31-2013	20.36	17.03	4	1.02	1.21	—	—	57
Year ended 3-31-2012	17.61	0.38	3	1.06	1.25	—	—	54
Year ended 3-31-2011	18.05	15.71	2	1.12	0.47	—	—	40
Class R Shares								
Year ended 3-31-2015	23.37	5.45	—*	1.54	0.21	—	—	82
Year ended 3-31-2014	23.79	22.13	1	1.57	0.03	—	—	58
Year ended 3-31-2013 ⁽⁶⁾	20.28	11.61	—*	1.55 ⁽⁷⁾	0.73 ⁽⁷⁾	—	—	57 ⁽⁹⁾
Class R6 Shares								
Year ended 3-31-2015 ⁽⁸⁾	23.56	1.72	1	0.79 ⁽⁷⁾	1.11 ⁽⁷⁾	—	—	82 ⁽¹⁰⁾
Class Y Shares								
Year ended 3-31-2015	23.45	5.84	3	1.20	0.58	—	—	82
Year ended 3-31-2014	23.86	22.56	2	1.22	0.40	—	—	58
Year ended 3-31-2013	20.33	16.78	2	1.27	0.97	—	—	57
Year ended 3-31-2012	17.59	0.09	2	1.31	0.86	—	—	54
Year ended 3-31-2011	17.99	15.47	2	1.37	0.11	—	—	40

See Accompanying Notes to Financial Statements.

1. ORGANIZATION

Ivy Funds, a Delaware statutory trust (the “Trust”), is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. Ivy Bond Fund, Ivy Core Equity Fund, Ivy Cundill Global Value Fund, Ivy Dividend Opportunities Fund, Ivy Emerging Markets Equity Fund, Ivy European Opportunities Fund, Ivy Global Bond Fund, Ivy Global Equity Income Fund, Ivy Global Growth Fund (formerly known as Ivy International Growth Fund), Ivy Global Income Allocation Fund, Ivy High Income Fund, Ivy International Core Equity Fund, Ivy Large Cap Growth Fund, Ivy Limited-Term Bond Fund, Ivy Managed International Opportunities Fund, Ivy Micro Cap Growth Fund, Ivy Mid Cap Growth Fund, Ivy Mid Cap Income Opportunities Fund, Ivy Money Market Fund, Ivy Municipal Bond Fund, Ivy Municipal High Income Fund, Ivy Small Cap Growth Fund, Ivy Small Cap Value Fund, Ivy Tax-Managed Equity Fund and Ivy Value Fund (each, a “Fund”) are 25 series of the Trust and are the only series of the Trust included in these financial statements. The investment objective(s), policies and risk factors of each Fund are described more fully in the Funds’ Prospectus and Statement of Additional Information (“SAI”). Each Fund’s investment manager is Ivy Investment Management Company (“IICO” or the “Manager”).

Each Fund offers Class A and Class C shares. Each Fund (excluding Ivy Mid Cap Income Opportunities Fund) offers Class B shares. The Funds’ Class B shares are not available for purchase by new and existing investors. Class B shares will continue to be available for dividend reinvestment and exchanges from Class B shares of another fund within Ivy Funds. Class C shares are not available for direct investment in the Ivy Money Market Fund. Certain Funds may also offer Class E, Class I, Class R, Class R6 and/or Class Y shares. Class E shares are closed for all investments in the Ivy Emerging Markets Equity Fund, Ivy European Opportunities Fund, Ivy Global Growth Fund, Ivy Managed International Opportunities Fund, Ivy Small Cap Value Fund and Ivy Value Fund. Class A and Class E shares are sold at their offering price, which is normally net asset value (“NAV”) plus a front-end sales charge. For Class A shares, a 1% contingent deferred sales charge (“CDSC”) is only imposed on shares purchased at NAV for \$1 million or more that are subsequently redeemed within 12 months of purchase. Class B and Class C shares are sold without a front-end sales charge, but may be subject to a CDSC. Class I, Class R, Class R6 and Class Y shares are sold without either a front-end sales charge or a CDSC. All classes of shares have identical rights and voting privileges with respect to the Fund in general and exclusive voting rights on matters that affect that class alone. Net investment income, net assets and NAV per share may differ due to each class having its own expenses, such as transfer agent and shareholder servicing fees, directly attributable to that class. Class A, B, C, E, R and Y have a distribution and service plan. Class I shares and Class R6 shares are not included in the plan. Class B shares will automatically convert to Class A shares 96 months after the date of purchase.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by each Fund.

Security Transactions and Related Investment Income. Security transactions are accounted for on the trade date (date the order to buy or sell is executed). Realized gains and losses are calculated on the identified cost basis. Interest income is recorded on the accrual basis and includes paydown gain (loss) and accretion of discounts and amortization of premiums. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. All or a portion of the distributions received from a real estate investment trust or publicly traded partnership may be designated as a reduction of cost of the related investment and/or realized gain.

Foreign Currency Translation. Each Fund’s accounting records are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars daily, using foreign exchange rates obtained from an independent pricing service authorized by the Board of Trustees of the Trust (the “Board”). Purchases and sales of investment securities and accruals of income and expenses are translated at the rate of exchange prevailing on the date of the transaction. For assets and liabilities other than investments in securities, net realized and unrealized gains and losses from foreign currency translation arise from changes in currency exchange rates. Each Fund combines fluctuations from currency exchange rates and fluctuations in value when computing net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments. Foreign exchange rates are typically valued as of the close of the New York Stock Exchange (“NYSE”), normally 4:00 P.M. Eastern time, on each day the NYSE is open for trading.

Allocation of Income, Expenses, Gains and Losses. Income, expenses (other than those attributable to a specific class), gains and losses are allocated on a daily basis to each class of shares based upon the relative proportion of net assets represented by such class. Operating expenses directly attributable to a specific class are charged against the operations of that class.

Income Taxes. It is the policy of each Fund to distribute all of its taxable income and capital gains to its shareholders and otherwise qualify as a regulated investment company under Subchapter M of the Internal Revenue Code. In addition, each Fund intends to pay distributions as required to avoid imposition of excise tax. Accordingly, no provision has been made for Federal income taxes. Management of the Trust periodically reviews all tax positions to assess that it is more likely than not that the position would be sustained upon examination by the relevant tax authority based on the technical merits of each position. As of and for the year ended March 31, 2015, management believes that no liability for unrecognized tax positions is required. The Funds are subject to examination by U.S. federal and state authorities for returns filed for tax years after 2010.

Dividends and Distributions to Shareholders. Dividends and distributions to shareholders are recorded by each Fund on the business day following record date. Net investment income dividends and capital gains distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America (“U.S. GAAP”). If the total dividends and distributions made in any tax year exceeds net investment income and accumulated realized capital gains, a portion of the total distribution may be treated as a tax return of capital.

Segregation and Collateralization. In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (“SEC”) require that a Fund either deliver collateral or segregate assets in connection with certain investments (e.g., dollar rolls, financial futures contracts, foreign currency exchange contracts, options written, securities with extended settlement periods and swaps), the Fund will segregate collateral or designate on its books and records cash or other liquid securities having a value at least equal to the amount that is required to be physically segregated for the benefit of the counterparty. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party has requirements to deliver/deposit cash or securities as collateral for certain investments. Certain countries require that cash reserves be held while investing in companies incorporated in that country. These cash reserves and cash collateral that has been pledged to cover obligations of the Funds under derivative contracts, if any, will be reported separately on the Statement of Assets and Liabilities as “Restricted cash.” Securities collateral pledged for the same purpose, if any, is noted on the Schedule of Investments.

Concentration of Market and Credit Risk. In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Funds may be exposed to counterparty credit risk, or the risk that an entity with which the Funds have unsettled or open transactions may fail to or be unable to perform on its commitments. The Funds manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Funds’ exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded on the Funds’ Statement of Assets and Liabilities, less any collateral held by the Funds.

Certain Funds may hold high-yield and/or non-investment-grade bonds, which may be subject to a greater degree of credit risk. Credit risk relates to the ability of the issuer to meet interest or principal payments or both as they become due. The Funds may acquire securities in default and are not obligated to dispose of securities whose issuers subsequently default.

Certain Funds may enter into financial instrument transactions (such as swaps, futures, options and other derivatives) that may have off-balance sheet market risk. Off-balance sheet market risk exists when the maximum potential loss on a particular financial instrument is greater than the value of such financial instrument, as reflected on the Statement of Assets and Liabilities.

If a Fund invests directly in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, or in financial derivatives that provide exposure to foreign currencies, it will be subject to the risk that those currencies will decline in value relative to the base currency of the Fund, or, in the case of hedging positions, that the Fund’s base currency will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad.

Inflation-Indexed Bonds. Certain Funds may invest in inflation-indexed bonds. Inflation-indexed bonds are fixed-income securities whose principal value is periodically adjusted to the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value, which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity.

Interest Only Obligations. These securities entitle the owner to receive only the interest portion from a bond, Treasury note or pool of mortgages. These securities are generally created by a third party separating a bond or pool of mortgages into distinct interest-only and principal-only securities. As the principal (par) amount of a bond or pool of mortgages is paid down, the amount of interest income earned by the owner will decline as well.

Loans. Certain Funds may invest in loans, the interest rates of which float or adjust periodically based upon a specified adjustment schedule, benchmark indicator, or prevailing interest rates, the debtor of which may be a domestic or foreign corporation, partnership or other entity (“Borrower”). Loans generally pay interest at rates which are periodically redetermined by reference to a base lending rate plus a premium. These base lending rates generally include prime rates of one or more major U.S. banks, London Interbank Offered Rate (“LIBOR”) rates or certificates of deposit rates. Loans often require prepayments from excess cash flow or permit the Borrower to repay at its election. The degree to which Borrowers repay cannot be predicted with accuracy. As a result, the actual maturity may be substantially less than the stated maturities. Loans are exempt from registration under the Securities Act of 1933, as amended, may contain certain restrictions on resale, and cannot be sold publicly. A Fund’s investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties.

When a Fund purchases assignments, it acquires all the rights and obligations under the loan agreement of the assigning lender. Assignments may, however, be arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than those held by the assigning lender. When a Fund purchases a participation of a loan interest, the Fund typically enters into a contractual agreement with the lender or other third party selling the participation. A participation interest in loans includes the right to receive payments of principal, interest and any fees to which it is entitled from the lender and only upon receipt by the lender of payments from the Borrower, but not from the Borrower directly. When investing in a participation interest, if a Borrower is unable to meet its obligations under a loan agreement, a Fund generally has no right to enforce compliance with the terms of the loan agreement. As a result,

the Fund assumes the credit risk of the Borrower, the selling participant, and any other persons that are interpositioned between the Fund and the Borrower. If the lead lender in a typical lending syndicate becomes insolvent, enters Federal Deposit Insurance Corporation ("FDIC") receivership or, if not FDIC insured, enters into bankruptcy, the Fund may incur certain costs and delays in receiving payment or may suffer a loss of principal and/or interest.

Payment In-Kind Securities. Certain Funds may invest in payment in-kind securities ("PIKs"). PIKs give the issuer the option at each interest payment date of making interest payments in either cash or additional debt securities. Those additional debt securities usually have the same terms, including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a dirty price) and require a pro-rata adjustment from the unrealized appreciation or depreciation on investments to interest receivable on the Statement of Assets and Liabilities.

Securities on a When-Issued or Delayed Delivery Basis. Certain Funds may purchase securities on a "when-issued" basis, and may purchase or sell securities on a "delayed delivery" basis. "When-issued" or "delayed delivery" refers to securities whose terms and indenture are available and for which a market exists, but which are not available for immediate delivery. Delivery and payment for securities that have been purchased by a Fund on a when-issued basis normally take place within six months and possibly as long as two years or more after the trade date. During this period, such securities do not earn interest, are subject to market fluctuation and may increase or decrease in value prior to their delivery. The purchase of securities on a when-issued basis may increase the volatility of a Fund's NAV to the extent the Fund executes such transactions while remaining substantially fully invested. When a Fund engages in when-issued or delayed delivery transactions, it relies on the buyer or seller, as the case may be, to complete the transaction. Their failure to do so may cause the Fund to lose the opportunity to obtain or dispose of the security at a price and yield IICO, or the Fund's investment subadviser, as applicable, consider advantageous. The Fund maintains internally designated assets with a value equal to or greater than the amount of its purchase commitments. The Fund may also sell securities that it purchased on a when-issued or delayed delivery basis prior to settlement of the original purchase.

Custodian Fees. "Custodian fees" on the Statement of Operations may include interest expense incurred by a Fund on any cash overdrafts of its custodian account during the period. Such cash overdrafts may result from the effects of failed trades in portfolio securities and from cash outflows resulting from unanticipated shareholder redemption activity. A Fund pays interest to its custodian on such cash overdrafts, to the extent they are not offset by positive cash balances maintained by that Fund. The "Earnings credit" line item, if shown, represents earnings on cash balances maintained by that Fund during the period. Such interest expense and other custodian fees may be paid with these earnings.

Independent Trustees and Chief Compliance Officer Fees. Fees paid to the Independent Trustees can be paid in cash or deferred to a later date, at the election of the Trustee according to the Deferred Fee Agreement entered into between the Trust and the Trustee(s). Each Fund records its portion of the deferred fees as a liability on the Statement of Assets and Liabilities. All fees paid in cash plus any appreciation (depreciation) in the underlying deferred plan are shown on the Statement of Operations. Additionally, fees paid to the office of the Chief Compliance Officer of the Funds are shown on the Statement of Operations.

Indemnifications. The Trust's organizational documents provide current and former Trustees and Officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Trust. In the normal course of business, the Trust may also enter into contracts that provide general indemnification. The Trust's maximum exposure under these arrangements is unknown and is dependent on future claims that may be made against the Trust. The risk of material loss from such claims is considered remote.

Basis of Preparation. Each Fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946 ("ASC 946"). The accompanying financial statements were prepared in accordance with U.S. GAAP, including but not limited to ASC 946. U.S. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

New Rule Issuance. In July 2014, the SEC issued *Final Rule Release No. 33-9616, Money Market Fund Reform; Amendments to Form PF*, which amends the rules governing money market funds. The final amendments impose different implementation dates for the changes that certain money market funds will need to make. Management is currently evaluating the implication of these amendments and their impact of the Final Rule to the Funds' financial statements and related disclosures.

Subsequent Events. Management has performed a review for subsequent events through the date this report was issued.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

Each Fund's investments are reported at fair value. Fair value is defined as the price that each Fund would receive upon selling an asset or would pay upon satisfying a liability in an orderly transaction between market participants at the measurement date. Each Fund calculates the NAV of its shares as of the close of the NYSE, normally 4:00 P.M. Eastern time, on each day the NYSE is open for trading.

For purposes of calculating the NAV, the portfolio securities and other assets are valued on each business day using pricing and valuation methods as adopted by the Board. Where market quotes are readily available, fair value is generally determined on the basis of last reported sales prices, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Prices for fixed-income securities are typically based on quotes that are obtained from an independent pricing service authorized by the Board. To determine values of fixed-income securities, the independent pricing service utilizes such factors as current quotations by broker/dealers, coupon,

maturity, quality, type of issue, trading characteristics, and other yield and risk factors it deems relevant in determining valuations. Securities that cannot be valued by the independent pricing service may be valued using quotes obtained from dealers that make markets in the securities.

Investments in Ivy Money Market Fund and short-term securities with maturities of 60 days or less are valued on the basis of amortized cost (which approximates value), whereby a portfolio security is valued at its cost initially, and thereafter valued to reflect a constant amortization to maturity of any discount or premium.

Because many foreign markets close before the NYSE, events may occur between the close of the foreign market and the close of the NYSE that could have a material impact on the valuation of foreign securities. Waddell & Reed Services Company ("WRSCO"), pursuant to procedures adopted by the Board, evaluates the impact of these events and may adjust the valuation of foreign securities to reflect the fair value as of the close of the NYSE. In addition, all securities for which values are not readily available or are deemed unreliable are appraised at fair value as determined in good faith under the supervision of the Board.

Where market quotes are not readily available, portfolio securities or assets are valued at fair value, as determined in good faith by the Board or Valuation Committee pursuant to procedures approved by the Board.

Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information or broker quotes), including where events occur after the close of the relevant market, but prior to the NYSE close, that materially affect the values of a Fund's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available.

The Board has delegated to WRSCO the responsibility for monitoring significant events that may materially affect the values of a Fund's securities or assets and for determining whether the value of the applicable securities or assets should be re-evaluated in light of such significant events. The Board has established a Valuation Committee to administer and oversee the valuation process, including the use of third party pricing vendors.

The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available. For instances in which daily market quotes are not readily available, investments may be valued, pursuant to procedures established by the Board, with reference to other securities or indices. In the event that the security or asset cannot be valued pursuant to one of the valuation methods established by the Board, the value of the security or asset will be determined in good faith by the Valuation Committee in accordance with the procedures adopted by the Board.

When a Fund uses these fair valuation methods applied by WRSCO that use significant unobservable inputs to determine its NAV, securities will be priced by a method that the Board or persons acting at their direction believe accurately reflects fair value and are categorized as Level 3 of the fair value hierarchy. These methods may require subjective determinations about the value of a security. The prices used by a Fund may differ from the value that will ultimately be realized at the time the securities were sold.

WRSCO is responsible for monitoring the implementation of the pricing and valuation policies through a series of activities to provide reasonable comfort of the accuracy of prices including: 1) periodic vendor due diligence meetings to review methodologies, new developments, and process at vendors, 2) daily and monthly multi-source pricing comparisons reviewed and submitted to the Valuation Committee, and 3) daily review of unpriced, stale, and variance reports with exceptions reviewed by management and the Valuation Committee.

Accounting standards establish a framework for measuring fair value and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the factors that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

An individual investment's fair value measurement is assigned a level based upon the observability of the inputs which are significant to the overall valuation.

The three-tier hierarchy of inputs is summarized as follows:

Level 1 – Observable input such as quoted prices, available in active markets, for identical assets or liabilities.

Level 2 – Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

Level 3 – Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

A description of the valuation techniques applied to the Funds' major classes of assets and liabilities measured at fair value on a recurring basis follows:

Asset-Backed Securities and Mortgage-Backed Securities. The fair value of asset-backed securities and mortgage-backed securities are estimated using recently executed transactions and based on models that consider the estimated cash flows of each debt tranche of the issuer, establish a

benchmark yield, and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche including, but not limited to, the prepayment speed assumptions and attributes of the collateral. To the extent the inputs are observable and timely, the values would be categorized in Level 2 of the fair value hierarchy, and otherwise they would be categorized as Level 3.

Bullion. The fair value of bullion is at the last settlement price at the end of each day on the board of trade or exchange upon which they are traded and are categorized in Level 1 of the fair value hierarchy.

Corporate Bonds. The fair value of corporate bonds, as obtained from an independent pricing service, is estimated using various techniques, which consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. While most corporate bonds are categorized in Level 2 of the fair value hierarchy, in instances where lower relative weight is placed on transaction prices, quotations, or similar observable inputs, they are categorized in Level 3 of the fair value hierarchy.

Derivative Instruments. Forward foreign currency contracts are valued based upon the closing prices of the forward currency rates determined at the close of the NYSE provided by an independent pricing service. Swaps are valued by an independent pricing service unless the price is unavailable, in which case they are valued at the price provided by a dealer in that security. Futures contracts traded on an exchange are generally valued at the settlement price. Listed options are ordinarily valued at the mean of the last bid and ask price provided by an independent pricing service unless the price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer. Over-the-counter ("OTC") options are ordinarily valued at the mean of the last bid and ask price provided by an independent pricing service for a comparable listed option unless such a price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer. If no comparable listed option exists from which to obtain a price from an independent pricing service and a quotation cannot be obtained from a broker-dealer, the OTC option will be valued using a model reasonably designed to provide a current market price.

Listed derivatives that are actively traded are valued based on quoted prices from the exchange and are categorized in Level 1 of the fair value hierarchy. OTC derivative contracts include forward foreign currency contracts, swap agreements, and option contracts related to interest rates, foreign currencies, credit standing of reference entities, equity prices, or commodity prices. Depending on the product and the terms of the transaction, the fair value of the OTC derivative products are modeled taking into account the counterparties' creditworthiness and using a series of techniques, including simulation models. Many pricing models do not entail material subjectivity because the methodologies employed do not necessitate significant judgments and the pricing inputs are observed from actively quoted markets, as is the case with interest rate swap and option contracts. OTC derivative products valued using pricing models with significant observable inputs are categorized within Level 2 of the fair value hierarchy.

Equity Securities. Equity securities traded on U.S. or foreign securities exchanges or included in a national market system are valued at the official closing price at the close of each business day unless otherwise stated below. OTC equity securities and listed securities for which no price is readily available are valued at the average of the last bid and asked prices.

Mutual funds, including investment funds, typically are valued at the NAV reported as of the valuation date.

Securities that are stated at the last reported sales price or closing price on the day of valuation taken from the primary exchange where the security is principally traded and to the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

Foreign securities, for which the primary trading market closes at the same time or after the NYSE, are valued based on quotations from the primary market in which they are traded and categorized in Level 1. Because many foreign securities markets and exchanges close prior to the close of the NYSE, closing prices for foreign securities in those markets or on those exchanges do not reflect the events that occur after that close. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intra-day trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, exchange-traded funds, and the movement of certain indices of securities based on a statistical analysis of their historical relationship; such valuations generally are categorized in Level 2.

Preferred stock, repurchase agreements, and other equities traded on inactive markets or valued by reference to similar instruments are also generally categorized in Level 2.

Loans. Loans are valued using a price or composite price from one or more brokers or dealers as obtained from an independent pricing service. The fair value of loans is estimated using recently executed transactions, market price quotations, credit/market events, and cross-asset pricing. Inputs are generally observable market inputs obtained from independent sources. Loans are generally categorized in Level 2 of the fair value hierarchy, unless key inputs are unobservable in which case they would be categorized as Level 3.

Municipal Bonds. Municipal bonds are fair valued based on pricing models used by and obtained from an independent pricing service that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-wants lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond insurance. To the extent that these inputs are observable and timely, the fair values of municipal bonds would be categorized as Level 2; otherwise the fair values would be categorized as Level 3.

Restricted Securities. Restricted securities that are deemed to be both Rule 144A securities and illiquid, as well as restricted securities held in non-public entities, are included in Level 3 of the fair value hierarchy because they trade infrequently, and, therefore, the inputs are unobservable. Restricted securities that are valued at a discount to similar publicly traded securities may be categorized as Level 2 of the fair value hierarchy to the extent that the discount is considered to be insignificant to the fair value measurement in its entirety; otherwise they may be categorized as Level 3.

U.S. Government and Agency Securities. U.S. government and agency securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, quoted market prices, and reference data. Accordingly, U.S. government and agency securities are normally categorized in Level 1 or 2 of the fair value hierarchy depending on the liquidity and transparency of the market.

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. Transfers between levels represent the values as of the beginning of the reporting period.

For fair valuations using unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to total realized and unrealized gains or losses, purchases and sales, and transfers in or out of the Level 3 category during the period. The beginning of period timing recognition is used for the transfers between Levels of the Funds' assets and liabilities. In accordance with the requirements of U.S. GAAP, a fair value hierarchy and Level 3 reconciliation, if any, have been included in the Notes to the Schedule of Investments for each respective Fund.

Net realized gain (loss) and net unrealized appreciation (depreciation), shown on the reconciliation of Level 3 investments if applicable, are included on the Statement of Operations in net realized gain (loss) on investments in unaffiliated securities and in net change in unrealized appreciation (depreciation) on investments in unaffiliated securities, respectively. Additionally, the net change in unrealized appreciation for all Level 3 investments still held as of March 31, 2015, if applicable, is included on the Statement of Operations in net change in unrealized appreciation (depreciation) on investments in unaffiliated securities.

The Funds may own different types of assets that are classified as Level 2 or Level 3. Assets classified as Level 2 can have a variety of observable inputs, including, but not limited to, benchmark yields, reported trades, broker quotes, benchmark securities, and bid/offer quotations. These observable inputs are collected and utilized, primarily by an independent pricing service, in different evaluated pricing approaches depending upon the specific asset to determine a value.

4. DERIVATIVE INSTRUMENTS (\$ amounts in thousands unless indicated otherwise)

The following disclosures contain information on why and how the Funds use derivative instruments, the associated risks of investing in derivative instruments, and how derivative instruments affect the Funds' financial positions and results of operations when presented by primary underlying risk exposure.

Forward Foreign Currency Contracts. Certain Funds may enter into forward foreign currency contracts ("forward contracts") for the purchase or sale of a foreign currency at a negotiated rate at a future date. Forward contracts are reported on a schedule following the Schedule of Investments. Forward contracts will be valued daily based upon the closing prices of the forward currency rates provided by an independent pricing service determined at the close of the NYSE as provided by a bank, dealer or independent pricing service. The resulting unrealized appreciation and depreciation is reported on the Statement of Assets and Liabilities as a receivable or payable and on the Statement of Operations within the change in unrealized appreciation (depreciation). At contract close, the difference between the original cost of the contract and the value at the close date is recorded as a realized gain (loss) on the Statement of Operations.

Risks to a Fund related to the use of such contracts include both market and credit risk. Market risk is the risk that the value of the forward contract will depreciate due to unfavorable changes in the exchange rates. Credit risk arises from the possibility that the counterparty will default. If the counterparty defaults, a Fund's maximum loss will consist of the aggregate unrealized gain on appreciated contracts that is not collateralized.

Futures Contracts. Certain Funds may engage in buying and selling futures contracts. Upon entering into a futures contract, the Fund is required to deposit, in a segregated account, an amount equal to a varying specified percentage of the contract amount. This amount is known as the initial margin. Subsequent payments (variation margins) are made or received by the Fund each day, dependent on the daily fluctuations in the value of the underlying debt security or index.

Futures contracts are reported on a schedule following the Schedule of Investments. Securities held in collateralized accounts to cover initial margin requirements on open futures contracts are identified on the Schedule of Investments. Cash held by the broker to cover initial margin requirements on open futures contracts and the receivable and/or payable for the daily mark to market for the variation margin are noted on the Statement of Assets and Liabilities. The net change in unrealized appreciation (depreciation) is reported on the Statement of Operations. Realized gains (losses) are reported on the Statement of Operations at the closing or expiration of futures contracts.

Risks of entering into futures contracts include the possibility of loss of securities or cash held as collateral, that there may be an illiquid market where the Fund is unable to close the contract or enter into an offsetting position and, if used for hedging purposes, the risk that the price of the contract will correlate imperfectly with the prices of the Fund's securities.

Option Contracts. Options purchased by a Fund are accounted for in the same manner as portfolio securities. The cost of instruments acquired through the exercise of call options is increased by the premium paid to purchase the call. The proceeds from instruments sold through the exercise of put options are decreased by the premium paid to purchase the put.

When a Fund writes (sells) an option, an amount equal to the premium received by the Fund is recorded as a liability. The amount of the liability is subsequently adjusted to reflect the current value of the option written. When an option expires on its stipulated expiration date or a Fund enters into a closing purchase transaction, the Fund realizes a gain (or loss if the cost of a closing purchase transaction exceeds the premium received when the

call option was sold), and the liability related to such option is extinguished. When a written call option is exercised, the premium is added to the proceeds from the sale of the underlying instrument in determining whether a Fund has realized a gain or loss. For each Fund, when a written put is exercised, the cost basis of the instruments purchased by a Fund is reduced by the amount of the premium received.

Investments in options, whether purchased or written, involve certain risks. Writing put options and purchasing call options may increase a Fund's exposure to the underlying instrument. With written options, there may be times when a Fund will be required to purchase or sell instruments to meet its obligation under the option contract where the required action is not beneficial to the Fund, due to unfavorable movement of the market price of the underlying instrument. Additionally, to the extent a Fund enters into OTC option transactions with counterparties, the Fund will be exposed to the risk that counterparties to these OTC transactions will be unable to meet their obligations under the terms of the transaction.

Swap Agreements. Certain Funds may invest in swap agreements.

Total return swaps involve a commitment to pay periodic interest payments in exchange for a market-linked return based on a security or a basket of securities representing a variety of securities or a particular index. To the extent the total return of the security, index or other financial measure underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Fund will receive a payment from or make a payment to the counterparty.

The creditworthiness of the counterparty with which a Fund enters into a swap agreement is monitored by IICO. If a firm's creditworthiness declines, the value of the agreement would likely decline, potentially resulting in losses. If a default occurs by the counterparty to such a transaction, the Fund will have contractual remedies pursuant to the agreement related to the transaction. The maximum loss a Fund may incur consists of the aggregate unrealized gain on appreciated contracts that is not collateralized.

Collateral and rights of offset. A Fund may mitigate credit risk with respect to OTC derivative counterparties through credit support annexes ("CSA") included with an International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreement which is the standard contract governing most derivative transactions between the Fund and each of its counterparties. The CSA allows the Fund and its counterparty to offset certain derivative financial instruments' payables and/or receivables against each other and/or with collateral, which is generally held by the Fund's custodian. The amount of collateral moved to/from applicable counterparties is based upon minimum transfer amounts specified in the CSA. To the extent amounts due to the Fund from its counterparties are not fully collateralized contractually or otherwise, the Fund bears the risk of loss from counterparty non-performance. See Note 2 "Segregation and Collateralization" for additional information with respect to collateral practices.

Offsetting of Assets and Liabilities. FASB Accounting Standards Update 2011-11, Disclosures about Offsetting Assets and Liabilities, requires an entity that has financial instruments that are either (1) offset or (2) subject to an enforceable master netting arrangement or similar agreement to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position.

The following tables present financial instruments subject to master netting agreements as of March 31, 2015:

Assets

Fund	Gross Amounts of Recognized Assets	Gross Amounts Offset on the Statement of Assets and Liabilities	Net Amounts of Assets Presented on the Statement of Assets and Liabilities	Gross Amounts Not Offset on the Statement of Assets and Liabilities			
				Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Received	Cash Collateral Received	Net Amount Receivable
Ivy Cundill Global Value Fund							
Unrealized appreciation on forward foreign currency contracts	\$1,560	\$—	\$1,560	\$ —	\$(842)	\$—	\$718
Ivy Emerging Markets Equity Fund							
Investments in unaffiliated securities at value*	\$1,381	\$—	\$1,381	\$(1,215)	\$ —	\$—	\$166
Ivy European Opportunities Fund							
Unrealized appreciation on forward foreign currency contracts	\$ 473	\$—	\$ 473	\$ —	\$(328)	\$—	\$145
Ivy Global Bond Fund							
Unrealized appreciation on forward foreign currency contracts ⁽¹⁾	\$ 67	\$—	\$ 67	\$ —	\$ —	\$—	\$ 67

Fund	Gross Amounts of Recognized Assets	Gross Amounts Offset on the Statement of Assets and Liabilities	Net Amounts of Assets Presented on the Statement of Assets and Liabilities	Gross Amounts Not Offset on the Statement of Assets and Liabilities			
				Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Received	Cash Collateral Received	Net Amount Receivable
Ivy Global Equity Income Fund							
Unrealized appreciation on forward foreign currency contracts	\$ 577	\$—	\$ 577	\$ (58)	\$(308)	\$ —	\$211
Ivy Global Growth Fund							
Unrealized appreciation on forward foreign currency contracts	\$ 317	\$—	\$ 317	\$ —	\$ —	\$ —	\$317
Ivy Global Income Allocation Fund							
Investments in unaffiliated securities at value*	\$ 304	\$—	\$ 304	\$ (259)	\$ —	\$ —	\$ 45
Unrealized appreciation on forward foreign currency contracts	381	—	381	(125)	—	—	256
Total	\$ 685	\$—	\$ 685	\$ (384)	\$ —	\$ —	\$301
Ivy High Income Fund							
Unrealized appreciation on forward foreign currency contracts ⁽¹⁾	\$3,031	\$—	\$3,031	\$(2,237)	\$ —	\$(610)	\$184

*Purchased options are reported as investments in unaffiliated securities on the Statement of Assets and Liabilities.

(1) Amounts include forward contracts that have an offset to an open and close contract, but have not settled. These amounts are included on the Statement of Assets and Liabilities line item for Investment securities sold receivable.

Liabilities

Fund	Gross Amounts of Recognized Liabilities	Gross Amounts Offset on the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented on the Statement of Assets and Liabilities	Gross Amounts Not Offset on the Statement of Assets and Liabilities			
				Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Pledged	Cash Collateral Pledged	Net Amount Payable
Ivy Emerging Markets Equity Fund							
Written Options at value	\$1,275	\$—	\$1,275	\$(1,215)	\$—	\$ —	\$ 60
Unrealized depreciation on swap agreements	49	—	49	—	—	—	49
Total	\$1,324	\$—	\$1,324	\$(1,215)	\$—	\$ —	\$109
Ivy Global Equity Income Fund							
Unrealized depreciation on forward foreign currency contracts	\$ 58	\$—	\$ 58	\$ (58)	\$—	\$ —	\$ —
Ivy Global Income Allocation Fund							
Written Options at value	\$ 350	\$—	\$ 350	\$ (259)	\$—	\$ —	\$ 91
Unrealized depreciation on forward foreign currency contracts	125	—	125	(125)	—	—	—
Total	\$ 475	\$—	\$ 475	\$ (384)	\$—	\$ —	\$ 91
Ivy High Income Fund							
Unrealized depreciation on forward foreign currency contracts ⁽¹⁾	\$4,897	\$—	\$4,897	\$(2,237)	\$—	\$(2,660)	\$ —

Fund	Gross Amounts of Recognized Liabilities	Gross Amounts Offset on the Statement of Assets and Liabilities	Net Amounts of Liabilities Presented on the Statement of Assets and Liabilities	Gross Amounts Not Offset on the Statement of Assets and Liabilities			
				Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Pledged	Cash Collateral Pledged	Net Amount Payable
Ivy International Core Equity Fund							
Unrealized depreciation on forward foreign currency contracts	\$4,769	\$—	\$4,769	\$—	\$(4,448)	\$—	\$ 321
Ivy Mid Cap Growth Fund							
Written Options at value	\$2,030	\$—	\$2,030	\$—	\$ (887)	\$—	\$1,143
Ivy Small Cap Growth Fund							
Unrealized depreciation on swap agreements	\$ 13	\$—	\$ 13	\$—	\$ —	\$—	\$ 13
Ivy Value Fund							
Written Options at value	\$ 118	\$—	\$ 118	\$—	\$ —	\$—	\$ 118

⁽¹⁾Amounts include forward contracts that have an offset to an open and close contract, but have not settled. These amounts are included on the Statement of Assets and Liabilities line item for Investment securities purchased payable.

Additional Disclosure Related to Derivative Instruments

Fair values of derivative instruments as of March 31, 2015:

Fund	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Ivy Bond Fund	Interest rate		—	Unrealized depreciation on futures contracts*	\$367
Ivy Cundill Global Value Fund	Foreign Currency	Unrealized appreciation on forward foreign currency contracts	\$1,560		—
Ivy Dividend Opportunities Fund	Equity		—	Written options at value	52
Ivy Emerging Markets Equity Fund	Equity	Investments in unaffiliated securities at value**	1,476	Written options at value	1,335
	Equity		—	Unrealized depreciation on swap agreements	49
Ivy European Opportunities Fund	Foreign Currency	Unrealized appreciation on forward foreign currency contracts	473		—
Ivy Global Bond Fund	Foreign Currency	Unrealized appreciation on forward foreign currency contracts	65		—
	Interest rate	Unrealized depreciation on futures contracts*	166		—
Ivy Global Equity Income Fund	Foreign currency	Unrealized appreciation on forward foreign currency contracts	577	Unrealized depreciation on forward foreign currency contracts	58
Ivy Global Growth Fund	Foreign currency	Unrealized appreciation on forward foreign currency contracts	317		—
Ivy Global Income Allocation Fund	Equity	Investments in unaffiliated securities at value**	304	Written options at value	350
	Foreign currency	Unrealized appreciation on forward foreign currency contracts	381	Unrealized depreciation on forward foreign currency contracts	125
Ivy High Income Fund	Foreign currency	Unrealized appreciation on forward foreign currency contracts	933		—

Fund	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Ivy International Core Equity Fund	Foreign currency		—	Unrealized depreciation on forward foreign currency contracts	\$4,769
Ivy Mid Cap Growth Fund	Equity		—	Written options at value	2,030
Ivy Small Cap Growth Fund	Equity		—	Unrealized depreciation on swap agreements	13
Ivy Value Fund	Equity		—	Written options at value	425

*The value presented includes cumulative gain (loss) on open futures contracts; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) as of year ended March 31, 2015.

**Purchased options are reported as investments in unaffiliated securities and are reflected in the accompanying Schedule of Investments.

Amount of realized gain (loss) on derivatives recognized on the Statement of Operations for the year ended March 31, 2015:

Fund	Type of Risk Exposure	Net realized gain (loss) on:					Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	
Ivy Bond Fund	Interest rate	\$ —	\$ —	\$ (2,287)	\$ —	\$ —	\$ (2,287)
Ivy Cundill Global Value Fund	Foreign currency	—	—	—	—	4,693	4,693
Ivy Emerging Markets Equity Fund	Equity	92	2,402	(726)	4,376	—	6,144
	Foreign currency	—	—	—	—	(106)	(106)
Ivy European Opportunities Fund	Foreign currency	—	—	—	—	8,237	8,237
Ivy Global Bond Fund	Interest rate	—	—	(237)	—	—	(237)
	Foreign currency	—	—	—	—	15	15
Ivy Global Equity Income Fund	Foreign currency	—	—	—	—	13,152	13,152
Ivy Global Growth Fund	Foreign currency	—	—	—	—	12,031	12,031
Ivy Global Income Allocation Fund	Equity	(80)	—	—	232	—	152
	Foreign currency	—	—	—	—	12,665	12,665
Ivy High Income Fund	Equity	—	(1)	—	—	—	(1)
	Foreign currency	—	—	—	—	33,918	33,918
Ivy International Core Equity Fund	Foreign currency	—	—	—	—	10,586	10,586
Ivy Limited-Term Bond Fund	Interest rate	—	—	(11,717)	—	—	(11,717)
Ivy Mid Cap Growth Fund	Equity	(20,653)	—	—	7,143	—	(13,510)
Ivy Small Cap Growth Fund	Equity	—	8,829	—	—	—	8,829
Ivy Small Cap Value Fund	Equity	—	—	—	61	—	61
Ivy Value Fund	Equity	—	—	—	934	—	934

* Purchased options are reported as investments in unaffiliated securities and are reflected in the accompanying Schedule of Investments.

Change in unrealized appreciation (depreciation) on derivatives recognized on the Statement of Operations for the year ended March 31, 2015:

Fund	Type of Risk Exposure	Net change in unrealized appreciation (depreciation) on:					Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	
Ivy Bond Fund	Interest rate	\$ —	\$ —	\$ (318)	\$ —	\$ —	\$ (318)
Ivy Cundill Global Value Fund	Foreign currency	—	—	—	—	1,609	1,609
Ivy Dividend Opportunities Fund	Equity	—	—	—	57	—	57
Ivy Emerging Markets Equity Fund	Equity	(225)	518	—	(124)	—	169
	Foreign currency	—	—	—	—	(172)	(172)
Ivy European Opportunities Fund	Foreign currency	—	—	—	—	442	442
Ivy Global Bond Fund	Foreign currency	—	—	—	—	128	128
	Interest rate	—	—	166	—	—	166
Ivy Global Equity Income Fund	Foreign currency	—	—	—	—	726	726
Ivy Global Growth Fund	Foreign currency	—	—	—	—	124	124

Net change in unrealized appreciation (depreciation) on:

Fund	Type of Risk Exposure	Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	Total
Ivy Global Income Allocation Fund	Equity	\$(243)	\$ —	\$ —	\$ 242	\$ —	\$ (1)
	Foreign currency	—	—	—	—	319	319
Ivy High Income Fund	Foreign currency	—	—	—	—	2,783	2,783
Ivy International Core Equity Fund	Foreign currency	—	—	—	—	(5,088)	(5,088)
Ivy Limited-Term Bond Fund	Interest rate	—	—	1,624	—	—	1,624
Ivy Mid Cap Growth Fund	Equity	(12)	—	—	(159)	—	(171)
Ivy Small Cap Growth Fund	Equity	—	(13)	—	—	—	(13)
Ivy Value Fund	Equity	—	—	—	(481)	—	(481)

* Purchased options are reported as investments in unaffiliated securities and are reflected on the accompanying Schedule of Investments.

During the year ended March 31, 2015, the average derivative volume was as follows:

Fund	Forward foreign currency contracts ⁽¹⁾	Long futures contracts ⁽¹⁾	Short futures contracts ⁽¹⁾	Swap agreements ⁽²⁾	Purchased options ⁽¹⁾	Written options ⁽¹⁾
Ivy Bond Fund	\$ —	\$ —	\$ 28,922	\$ —	\$ —	\$ —
Ivy Cundill Global Value Fund	896	—	—	—	—	—
Ivy Dividend Opportunities Fund	—	—	—	—	—	4
Ivy Emerging Markets Equity Fund	24	—	2,395	4,778	1,507	1,323
Ivy European Opportunities Fund	362	—	—	—	—	—
Ivy Global Bond Fund	8	1,746	—	—	—	—
Ivy Global Equity Income Fund	630	—	—	—	—	—
Ivy Global Growth Fund	548	—	—	—	—	—
Ivy Global Income Allocation Fund	578	—	—	—	74	62
Ivy High Income Fund	1,228	—	—	—	—	—
Ivy International Core Equity Fund	55	—	—	—	—	—
Ivy Limited-Term Bond Fund	—	—	200,656	—	—	—
Ivy Mid Cap Growth Fund	—	—	—	—	2,159	782
Ivy Small Cap Growth Fund	—	—	—	12,007	—	—
Ivy Small Cap Value	—	—	—	—	—	4
Ivy Value Fund	—	—	—	—	—	306

(1) Average value outstanding during the period.

(2) Average notional amount outstanding during the period.

The derivative instruments outstanding as of period end and the amounts of realized and changes in unrealized gains and losses on derivative instruments during the period, as disclosed in the Statement of Operations and Notes to Schedule of Investments, serve as indicators of the volume of derivative activity for the Funds.

Objectives and Strategies

Ivy Bond Fund. The Fund's objective in using derivatives during the period was to adjust the overall duration of the portfolio. To achieve this objective, the Fund primarily utilized Treasury futures contracts of varying lengths to either shorten or lengthen the duration of the Fund, as determined by the Fund's subadvisor.

Ivy Cundill Global Value Fund. The Fund's objective in using derivatives during the period was to hedge the exposure to foreign currencies of securities held in the Fund. To achieve this objective, the Fund utilized forward contracts.

Ivy Dividend Opportunities Fund. The Fund's objective in using derivatives during the period was for defensive purposes. To achieve this objective, the Fund utilized written options on individual equity securities.

Ivy Emerging Markets Equity Fund. The Fund's objectives in using derivatives during the period included managing the exposure to various foreign currencies, hedging certain event risks on positions held by the Fund and gaining exposure to certain individual securities that are not available for direct purchase. To manage foreign currency exposure, the Fund utilized forward contracts to either increase or decrease exposure to a given currency. To hedge event risk, the Fund utilized options, both written and purchased, on individual equity securities as well as futures contracts on foreign equity indices. To gain exposure to certain individual securities, the Fund utilized total return swaps.

Ivy European Opportunities Fund. The Fund's objective in using derivatives during the period was to manage the exposure to various foreign currencies. To achieve this objective, the Fund utilized forward contracts to either increase or decrease exposure to a given currency.

Ivy Global Bond Fund. The Fund's objectives in using derivatives during the period were managing the exposure to various foreign currencies and mitigate the impact of rising interest rates. To manage the exposure to various currencies, the Fund utilized forward contracts to either hedge a position held by the Fund, to gain exposure to a currency where a foreign bond is not available, or to take a fundamental position long or short in a particular currency. To mitigate the impact of rising interest rates, the Fund utilized Treasury futures contracts.

Ivy Global Equity Income Fund. The Fund's objective in using derivatives during the period was to manage the exposure to various foreign currencies. To achieve this objective, the Fund utilized forward contracts to either increase or decrease exposure to a given currency.

Ivy Global Growth Fund. The Fund's objective in using derivatives during the period was to manage the exposure to various foreign currencies. To achieve this objective, the Fund utilized forward contracts to either increase or decrease exposure to a given currency.

Ivy Global Income Allocation Fund. The Fund's objectives in using derivatives during the period were to manage the exposure to various foreign currencies and increase or decrease exposure to specific sectors. To manage the exposure to various foreign currencies, the Fund utilized forward contracts to either increase or decrease exposure to a given currency. To increase or decrease exposure to specific sectors, the Fund utilized purchased and written options on individual equity securities.

Ivy High Income Fund. The Fund's objectives in using derivatives during the period were to hedge the exposure to foreign currencies of securities held in the Fund and hedging various instruments. To hedge foreign currency exposure, the Fund utilized forward contracts. To hedge various instruments, the Fund utilized total return swaps.

Ivy International Core Equity Fund. The Fund's objective in using derivatives during the period was to manage the exposure to various foreign currencies. To achieve this objective, the Fund utilized forward contracts to either increase or decrease exposure to a given currency.

Ivy Limited Term-Bond Fund. The Fund's objective in using derivatives during the period was to adjust the overall duration of the portfolio. To achieve this objective, the Fund primarily utilized Treasury futures contracts of varying lengths to either shorten or lengthen the duration of the Fund.

Ivy Mid Cap Growth Fund. The Fund's objectives in using derivatives during the period included gaining exposure to certain sectors, hedging certain event risks on positions held by the Fund and hedging market risk on equity securities. To achieve these objectives, the Fund utilized both written and purchased options, on either an index or on individual or baskets of equity securities.

Ivy Small Cap Growth Fund. The Fund's objectives in using derivatives during the period included hedging market risk on equity securities and increasing exposure to various equity sectors and markets. To achieve these objectives, the Fund utilized total return swaps on individual equity securities owned by the Fund.

Ivy Small Cap Value Fund. The Fund's objective in using derivatives during the period was to gain exposure to, or facilitate trading in, certain securities or market sectors. To achieve this objective, the Fund utilized written options on individual equity securities.

Ivy Value Fund. The Fund's objectives in using derivatives during the period included generating additional income from written option premiums and gaining exposure to, or facilitate trading in, certain securities. To achieve these objectives, the Fund utilized written options on individual equity securities.

5. WRITTEN OPTION ACTIVITY (\$ amounts in thousands)

Transactions in written options were as follows:

Fund	Outstanding at 3-31-14	Options written	Options closed	Options exercised	Options expired	Outstanding at 3-31-15
Ivy Dividend Opportunities Fund						
Number of Contracts	N/A	792	—	—	—	792
Premium Received	N/A	\$ 109	\$ —	\$ —	\$ —	\$ 109
Ivy Emerging Markets Equity Fund						
Number of Contracts	3,485	98,898	(22,270)	(11,935)	(50,694)	17,484
Premium Received	\$ 834	\$ 7,933	\$ (1,530)	\$ (1,145)	\$ (4,308)	\$ 1,784
Ivy Global Income Allocation Fund						
Number of Contracts	N/A	9,280	(820)	—	(820)	7,640
Premium Received	N/A	\$ 829	\$ (41)	\$ —	\$ (196)	\$ 592
Ivy Mid Cap Growth Fund						
Number of Contracts	9,181	143,498	(85,658)	(9,256)	(46,486)	11,279
Premium Received	\$1,666	\$ 11,482	\$ (4,132)	\$ (1,217)	\$ (5,760)	\$ 2,039
Ivy Small Cap Value Fund						
Number of Contracts	N/A	675	—	—	(675)	N/A
Premium Received	N/A	\$ 61	\$ —	\$ —	\$ (61)	N/A
Ivy Value Fund						
Number of Contracts	1,923	21,797	(4,063)	(2,659)	(7,289)	9,709
Premium Received	\$ 961	\$ 1,755	\$ (660)	\$ (921)	\$ (858)	\$ 277

6. BASIS FOR CONSOLIDATION OF THE IVY EMERGING MARKETS EQUITY FUND

Ivy EME, Ltd. (the “Subsidiary”), a Cayman Islands exempted company, was incorporated as a wholly owned subsidiary acting as an investment vehicle for the Ivy Emerging Markets Equity Fund (referred to as “the Fund” in this subsection). The Subsidiary acts as an investment vehicle for the Fund, in order to effect certain investments for the Fund consistent with the Fund’s investment objectives and policies as specified in its prospectus and SAI. The Fund’s investment portfolio has been consolidated and includes the portfolio holdings of the Fund and its Subsidiary. The consolidated financial statements include the accounts of the Fund and its Subsidiary. All inter-company transactions and balances have been eliminated. A subscription agreement was entered into between the Fund and its Subsidiary comprising the entire issued share capital of the Subsidiary with the intent that the Fund will remain the sole shareholder and retain all rights. Under the Articles of Association, shares issued by the Subsidiary confer upon a shareholder the right to receive notice of, to attend and to vote at general meetings of the Subsidiary and shall confer upon the shareholder rights in a winding-up or repayment of capital and the right to participate in the profits or assets of the Subsidiary.

See the table below for details regarding the structure, incorporation and relationship as of March 31, 2015 of the Subsidiary to the Fund (amounts in thousands).

Subsidiary	Date of Incorporation	Subscription Agreement	Fund Net Assets	Subsidiary Net Assets	Percentage of Fund Net Assets
Ivy EME, Ltd.	1-31-13	4-10-13	\$611,949	\$11,597	1.90%

7. INVESTMENT MANAGEMENT AND PAYMENTS TO AFFILIATED PERSONS (\$ amounts in thousands unless indicated otherwise)

Management Fees. IICO, a wholly owned subsidiary of Waddell & Reed Financial, Inc. (“WDR”), serves as each Fund’s investment manager. The management fee is accrued daily by each Fund at the following annual rates as a percentage of average daily net assets:

Fund (M – Millions)	\$0 to \$250M	\$250M to \$500M	\$500 to \$1,000M	\$1,000 to \$1,500M	\$1,500 to \$2,000M	\$2,000 to \$3,000M	\$3,000 to \$5,000M	\$5,000 to \$6,000M	Over \$6,000M
Ivy Bond Fund	0.525%	0.525%	0.500%	0.450%	0.400%	0.400%	0.400%	0.400%	0.400%
Ivy Core Equity Fund	0.700	0.700	0.700	0.650	0.650	0.600	0.550	0.525	0.500
Ivy Cundill Global Value Fund	1.000	1.000	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Ivy Dividend Opportunities Fund	0.700	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
Ivy Emerging Markets Equity Fund	1.000	1.000	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Ivy European Opportunities Fund	0.900	0.850	0.750	0.750	0.750	0.750	0.750	0.750	0.750
Ivy Global Bond Fund	0.625	0.625	0.600	0.550	0.500	0.500	0.500	0.500	0.500
Ivy Global Equity Income Fund	0.700	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
Ivy Global Growth Fund	0.850	0.850	0.850	0.830	0.830	0.800	0.700	0.700	0.700
Ivy Global Income Allocation Fund	0.700	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
Ivy High Income Fund	0.625	0.625	0.600	0.550	0.500	0.500	0.500	0.500	0.500
Ivy International Core Equity Fund	0.850	0.850	0.850	0.830	0.830	0.800	0.700	0.700	0.700
Ivy Large Cap Growth Fund	0.700	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
Ivy Limited-Term Bond Fund	0.500	0.500	0.450	0.400	0.350	0.350	0.350	0.350	0.350
Ivy Managed International Opportunities Fund	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050
Ivy Micro Cap Growth Fund	0.950	0.950	0.950	0.930	0.930	0.900	0.860	0.860	0.860
Ivy Mid Cap Growth Fund	0.850	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Ivy Mid Cap Income Opportunities Fund	0.850	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Ivy Money Market Fund	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
Ivy Municipal Bond Fund	0.525	0.525	0.500	0.450	0.400	0.400	0.400	0.400	0.400
Ivy Municipal High Income Fund	0.525	0.525	0.500	0.450	0.400	0.400	0.400	0.400	0.400
Ivy Small Cap Growth Fund	0.850	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Ivy Small Cap Value Fund	0.850	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Ivy Tax-Managed Equity Fund	0.650	0.650	0.650	0.600	0.600	0.550	0.500	0.500	0.500
Ivy Value Fund	0.700	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550

For the period from May 18, 2009 to September 30, 2016, IICO voluntarily agreed to reduce the management fee paid to 0.485%, on an annual basis, of net assets for any day that Ivy Municipal High Income Fund’s net assets are below \$500 million.

For Funds managed solely by IICO, IICO has voluntarily agreed to waive a Fund’s management fee on any day that the Fund’s net assets are less than \$25 million, subject to IICO’s right to change or modify this waiver. See Expense Reimbursements and/or Waivers below for amounts waived during the year ended March 31, 2015.

IICO has entered into Subadvisory Agreements with the following entities on behalf of certain Funds:

Under an agreement between IICO and Mackenzie Financial Corporation (“Mackenzie”), Mackenzie serves as subadviser to Ivy Cundill Global Value Fund. Under an agreement between IICO and Wall Street Associates, Wall Street Associates serves as subadviser to Ivy Micro Cap Growth Fund. Under an agreement between IICO and Advantus Capital Management, Inc. (“Advantus”), Advantus serves as subadviser to Ivy Bond Fund. Each subadviser makes investment decisions in accordance with the Fund’s investment objectives, policies and restrictions under the supervision of IICO and the oversight of the Board. IICO pays all applicable costs of the subadvisers.

Accounting Services Fees. The Trust has an Accounting and Administrative Services Agreement with WRSCO, doing business as WI Services Company (“WISC”), an indirect subsidiary of WDR. Under the agreement, WISC acts as the agent in providing bookkeeping and accounting services and assistance to the Trust, including maintenance of Fund records, pricing of Fund shares and preparation of certain shareholder reports. For these services, each Fund, other than Ivy Managed International Opportunities Fund, pays WISC a monthly fee of one-twelfth of the annual fee based on the average net asset levels shown in the following table:

(M – Millions)	\$0 to \$10M	\$10 to \$25M	\$25 to \$50M	\$50 to \$100M	\$100 to \$200M	\$200 to \$350M	\$350 to \$550M	\$550 to \$750M	\$750 to \$1,000M	Over \$1,000M
Annual Fee Rate	\$0.00	\$11.50	\$23.10	\$35.50	\$48.40	\$63.20	\$82.50	\$96.30	\$121.60	\$148.50

In addition, for each class of shares in excess of one, each Fund pays WISC a monthly per-class fee equal to 2.5% of the monthly accounting services base fee.

Under the Accounting and Administrative Services Agreement for the Ivy Managed International Opportunities Fund, the Fund pays WISC a monthly fee of one-twelfth of the annual fee shown in the following table:

(M – Millions)	\$0 to \$10M	\$10 to \$25M	\$25 to \$50M	\$50 to \$100M	\$100 to \$200M	\$200 to \$350M	\$350 to \$550M	\$550 to \$750M	\$750 to \$1,000M	Over \$1,000M
Annual Fee Rate	\$0.000	\$5.748	\$11.550	\$17.748	\$24.198	\$31.602	\$41.250	\$48.150	\$60.798	\$74.250

In addition, for each class of shares in excess of one, the Ivy Managed International Opportunities Fund pays WISC a monthly per-class fee equal to 1.25% of the monthly accounting services base fee.

Each Fund also pays WISC a monthly administrative fee at the annual rate of 0.01%, or one basis point, for the first \$1 billion of net assets with no fee charged for net assets in excess of \$1 billion. This fee is voluntarily waived by WISC until a Fund’s net assets are at least \$10 million and is included in “Accounting services fee” on the Statement of Operations.

Shareholder Servicing. General. Under the Shareholder Servicing Agreement between the Trust and WISC, with respect to Class A, Class B, Class C and Class E shares, for each shareholder account that was in existence at any time during the prior month, each Fund pays a monthly fee that ranges from \$1.5042 to \$1.6958 per account; however, WISC has agreed to reduce that fee if the number of total shareholder accounts within the Complex (Waddell & Reed Advisors Funds, InvestEd Portfolios and Ivy Funds) reaches certain levels. Ivy Money Market Fund pays a monthly fee of \$1.75 for each shareholder account that was in existence at any time during the prior month plus, for Class A shareholder accounts, \$0.75 for each shareholder check processed in the prior month. Ivy Limited-Term Bond Fund Class A, which also has check writing privileges, pays \$0.75 for each shareholder check processed in the prior month. Effective June 6, 2011 for Class R shares, each Fund pays a monthly fee equal to one-twelfth of 0.25 of 1% of the average daily net assets of the class for the preceding month. Prior to June 6, 2011 the fee was 0.20 of 1%. For Class I and Class Y shares, each Fund pays a monthly fee equal to one-twelfth of 0.15 of 1% of the average daily net assets of the class for the preceding month. For Class R6 shares, each Fund pays WISC a monthly fee equal to one-twelfth of 0.01 of 1% of the average daily net assets of the class for the preceding month. Each Fund also reimburses WISC for certain out-of-pocket costs for all classes.

Networked accounts. For certain networked accounts (that is, those accounts whose Fund shares are purchased through certain financial intermediaries), WISC has agreed to reduce its per account fees charged to the Funds to \$0.50 per month per shareholder account. Additional fees may be paid by the Funds to those intermediaries. If the aggregate annual rate of the WISC transfer agent fee and the costs charged by the financial services companies exceeds \$18.00 per account for a Fund, WISC will reimburse the Fund the amount in excess of \$18.00.

Broker accounts. Certain broker-dealers that maintain shareholder accounts with each Fund through an omnibus account provide transfer agent and other shareholder-related services that would otherwise be provided by WISC if the individual accounts that comprise the omnibus account were opened by their beneficial owners directly. Each Fund may pay such broker-dealers a per account fee for each open account within the omnibus account, or a fixed rate fee, based on the average daily NAV of the omnibus account (or a combination thereof).

Distribution and Service Plan. Class A and Class E Shares. Under a Distribution and Service Plan adopted by the Trust pursuant to Rule 12b–1 under the 1940 Act (the “Distribution and Service Plan”), each Fund, other than Ivy Money Market Fund, may pay a distribution and/or service fee to Ivy Funds Distributors, Inc. (“IFDI”) for Class A and Class E shares in an amount not to exceed 0.25% of the Fund’s average annual net assets. The fee is to be paid to compensate IFDI for amounts it expends in connection with the distribution of the Class A and Class E shares and/or provision of personal services to Fund shareholders and/or maintenance of shareholder accounts of that class.

Class B and Class C Shares. Under the Distribution and Service Plan, each Fund may pay IFDI a service fee not to exceed 0.25% and a distribution fee not to exceed 0.75% of the Fund’s average annual net assets for Class B and Class C shares to compensate IFDI for its services in connection with the distribution of shares of that class and/or provision of personal services to Class B or Class C shareholders and/or maintenance of shareholder accounts of that class.

Class R Shares. Under the Distribution and Service Plan, each Fund may pay IFDI a fee of up to 0.50%, on an annual basis, of the average daily net assets of the Fund’s Class R shares to compensate IFDI for, either directly or through third parties, distributing the Class R shares of that Fund, providing personal services to Class R shareholders and/or maintaining Class R shareholder accounts.

Class Y Shares. Under the Distribution and Service Plan, each Fund may pay IFDI a fee of up to 0.25%, on an annual basis, of the average daily net assets of the Fund’s Class Y shares to compensate IFDI for, either directly or through third parties, distributing the Class Y shares of that Fund, providing personal services to Class Y shareholders and/or maintaining Class Y shareholder accounts.

Offering costs. The Funds bear all costs associated with the offering expenses of the Fund including legal, printing and support services. All such costs are amortized as an expense of the new Fund on a straight-line basis over twelve months from commencement of operations.

Sales Charges. As principal underwriter for the Trust's shares, IFDI receives sales commissions (which are not an expense of the Trust) for sales of Class A and Class E shares. A CDSC may be assessed against a shareholder's redemption amount of Class B, Class C or certain Class A and Class E shares and is paid to IFDI. During the year ended March 31, 2015, IFDI received the following amounts in sales commissions and CDSCs:

	Gross Sales Commissions	CDSC				Commissions Paid ⁽¹⁾
		Class A	Class B	Class C	Class E	
Ivy Bond Fund	\$ 318	\$ 1	\$ 12	\$ 2	\$ —	\$ 298
Ivy Core Equity Fund	586	2	9	11	—	577
Ivy Cundill Global Value Fund	136	1	2	1	—	125
Ivy Dividend Opportunities Fund	241	2	15	3	—	199
Ivy Emerging Markets Equity Fund	319	1	13	4	—	322
Ivy European Opportunities Fund	83	—*	1	—*	—	76
Ivy Global Bond Fund	74	—*	13	2	N/A	125
Ivy Global Equity Income Fund	157	—*	1	1	N/A	152
Ivy Global Growth Fund	127	3	2	1	—	130
Ivy Global Income Allocation Fund	352	3	7	6	—	294
Ivy High Income Fund	1,977	63	286	371	—	4,151
Ivy International Core Equity Fund	722	14	12	20	—	1,045
Ivy Large Cap Growth Fund	526	4	7	4	—	530
Ivy Limited-Term Bond Fund	1,289	65	44	13	—	1,266
Ivy Managed International Opportunities Fund	123	—*	3	—*	—	105
Ivy Micro Cap Growth Fund	264	2	1	6	N/A	242
Ivy Mid Cap Growth Fund	518	4	33	38	—	883
Ivy Mid Cap Income Opportunities Fund	57	—*	N/A	—*	—	54
Ivy Money Market Fund	—	4	20	12	—	2
Ivy Municipal Bond Fund	69	2	11	3	N/A	75
Ivy Municipal High Income Fund	267	8	25	28	N/A	512
Ivy Small Cap Growth Fund	352	28	10	11	—	386
Ivy Small Cap Value Fund	144	—*	3	1	—	147
Ivy Tax-Managed Equity Fund	55	1	1	—*	N/A	55
Ivy Value Fund	138	16	3	2	—	129

* Not shown due to rounding.

(1) IFDI reallocated/paid this portion of the sales charge to financial advisors and selling broker-dealers.

Expense Reimbursements and/or Waivers. Fund and class expense limitations and related waivers/reimbursements for the year ended March 31, 2015 were as follows:

Fund Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Ivy Bond Fund	Class E	Contractual	1-31-2011	7-31-2015	1.14%	\$ 8	12b-1 Fees and/ or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Core Equity Fund	Class A	Contractual	1-11-2013	7-31-2015	1.15%	\$133	12b-1 Fees and/ or Shareholder Servicing
	Class E	Contractual	8-1-2008	7-31-2015	1.35%	\$ 7	12b-1 Fees and/ or Shareholder Servicing
	Class I	Contractual	1-11-2013	7-31-2015	0.84%	\$134	Shareholder Servicing
	Class Y	Contractual	1-11-2013	7-31-2015	0.84%	\$263	12b-1 Fees and/ or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A

Fund Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Ivy Cundill Global Value Fund	All Classes	Contractual	12-3-2012	7-31-2015	N/A	\$508 ⁽¹⁾	Investment Management Fee
	Class E	Contractual	8-1-2008	7-31-2015	1.59%	\$ 3	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Dividend Opportunities Fund	Class E	Contractual	8-1-2008	7-31-2015	1.37%	\$ 10	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Emerging Markets Equity Fund	Class A	Contractual	3-17-2014	7-30-2016	1.50%	\$788	12b-1 Fees and/or Shareholder Servicing
	Class B	Contractual	3-17-2014	7-30-2016	2.50%	\$ 17	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	3-17-2014	7-31-2015	Not to exceed Class A	\$ 4	12b-1 Fees and/or Shareholder Servicing
Ivy European Opportunities Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Global Bond Fund	Class A	Contractual	6-2-2008	7-31-2015	0.99%	\$444	12b-1 Fees and/or Shareholder Servicing
	Class B	Contractual	6-2-2008	7-31-2015	1.74%	\$ 20	12b-1 Fees and/or Shareholder Servicing
	Class C	Contractual	6-2-2008	7-31-2015	1.74%	\$ 44	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	6-2-2008	7-31-2015	0.74%	\$ 79	Shareholder Servicing
	Class Y	Contractual	6-2-2008	7-31-2015	0.99%	\$ 10	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Global Equity Income Fund	Class A	Contractual	6-4-2012	7-31-2015	1.30%	\$180	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	6-4-2012	7-31-2015	0.94%	\$ 7	Shareholder Servicing
	Class Y	Contractual	6-4-2012	7-31-2015	1.19%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	6-4-2012	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Global Growth Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Global Income Allocation Fund	Class E	Contractual	6-4-2012	7-31-2015	1.33%	\$ 8	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	6-4-2012	7-31-2015	1.17%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A

Fund Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Ivy High Income Fund	Class E	Contractual	8-1-2008	7-31-2015	1.36%	\$ —	N/A
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ 142	12b-1 Fees and/or Shareholder Servicing
Ivy International Core Equity Fund	Class E	Contractual	8-1-2008	7-31-2015	1.53%	\$ 10	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Large Cap Growth Fund	Class A	Contractual	6-1-2006	7-31-2015	1.15%	\$ 213	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	8-1-2008	7-31-2015	1.15%	\$ 19	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	6-13-2011	7-31-2015	0.88%	\$ —	N/A
	Class Y	Contractual	6-1-2006	7-31-2015	1.06%	\$ 80	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Limited-Term Bond Fund	Class E	Contractual	8-1-2010	7-31-2015	1.00%	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ 2	12b-1 Fees and/or Shareholder Servicing
Ivy Managed International Opportunities Fund	Class A	Contractual	3-17-2014	7-31-2016	0.49%	\$ —	N/A
	Class B	Contractual	3-17-2014	7-31-2016	1.40%	\$ —	N/A
	Class C	Contractual	3-17-2014	7-31-2016	1.29%	\$ —	N/A
	Class E	Contractual	3-17-2014	7-31-2016	0.39%	\$ —	N/A
	Class I	Contractual	3-17-2014	7-31-2016	0.16%	\$ —*	Shareholder Servicing
	Class R	Contractual	3-17-2014	7-31-2016	0.72%	\$ —	N/A
	Class Y	Contractual	3-17-2014	7-31-2016	0.38%	\$ 2	12b-1 Fees and/or Shareholder Servicing
Ivy Micro Cap Growth Fund	Class Y	Contractual	3-17-2014	7-31-2015	Not to exceed Class A	\$ —	N/A
	Class Y	Contractual	3-17-2014	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Mid Cap Growth Fund	Class A	Contractual	8-1-2014	7-31-2015	1.31%	\$ 115	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	8-1-2008	7-31-2015	1.60%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A

Fund Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Ivy Mid Cap Income Opportunities Fund	All Classes	Contractual	10-1-2014	7-31-2016	N/A	\$ 28 ⁽²⁾	Investment Management Fee
	Class A	Contractual	10-1-2014	7-31-2016	1.35%	\$ 16	12b-1 Fees and/or Shareholder Servicing
	Class C	Contractual	10-1-2014	7-31-2016	2.07%	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	10-1-2014	7-31-2016	1.30%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	10-1-2014	7-31-2016	1.05%	\$ 6	Shareholder Servicing
	Class R	Contractual	10-1-2014	7-31-2016	1.80%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class R6	Contractual	10-1-2014	7-31-2016	1.05%	\$ —*	Shareholder Servicing
	Class Y	Contractual	10-1-2014	7-31-2016	1.35%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	10-1-2014	7-31-2016	Not to exceed Class A	\$ —	N/A
Ivy Money Market Fund	Class A	Voluntary	N/A	N/A	To maintain minimum yield ⁽³⁾	\$643	12b-1 Fees and/or Shareholder Servicing
	Class B	Voluntary	N/A	N/A	To maintain minimum yield ⁽³⁾	\$ 83	12b-1 Fees and/or Shareholder Servicing
	Class C	Voluntary	N/A	N/A	To maintain minimum yield ⁽³⁾	\$525	12b-1 Fees and/or Shareholder Servicing
	Class E	Voluntary	N/A	N/A	To maintain minimum yield ⁽³⁾	\$ 30	12b-1 Fees and/or Shareholder Servicing
Ivy Municipal Bond Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —*	12b-1 Fees and/or Shareholder Servicing
Ivy Municipal High Income Fund	All Classes	Voluntary	N/A	N/A	Reduction of Investment Management Fee	\$200	Investment Management Fee
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ 18	12b-1 Fees and/or Shareholder Servicing
Ivy Small Cap Growth Fund	Class E	Contractual	8-1-2008	7-31-2015	1.56%	\$ 12	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Small Cap Value Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Tax-Managed Equity Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A
Ivy Value Fund	Class Y	Contractual	8-1-2011	7-31-2015	Not to exceed Class A	\$ —	N/A

*Not shown due to rounding.

(1) The Fund's management fee is being reduced by 0.14% of average daily net assets.

(2) Due to Class A, Class C, Class E, Class I, Class R, Class R6, and/or Class Y contractual expense limits, investment management fees were waived for all share classes.

(3) Minimum yield was 0.02% throughout the period of this report.

Any amounts due to the Funds as a reimbursement but not paid as of March 31, 2015 are shown as a receivable from affiliates on the Statement of Assets and Liabilities.

8. INTERFUND LENDING PROGRAM

Pursuant to an exemptive order issued by the SEC ("Order"), the Trust and the Advisors Fund Complex (Waddell & Reed Advisors Funds, Ivy Funds Variable Insurance Portfolios and Invested Portfolios; referred to with the Funds for purposes of this section as Funds) have the ability to lend money to, and borrow money from, each other pursuant to a master interfund lending agreement ("Interfund Lending Program"). Under the Interfund Lending Program, the Funds may lend or borrow money for temporary purposes directly to or from one another (each an "Interfund Loan"), subject to meeting the conditions of the Order. The interest rate to be charged on an Interfund Loan is the average of the overnight repurchase agreement rate and the short-term bank loan rate. The Funds made no Interfund Loans under the Interfund Lending Program during the year ended March 31, 2015.

9. AFFILIATED COMPANY TRANSACTIONS (All amounts in thousands)

A summary of the transactions in affiliated companies during the year ended March 31, 2015 follows:

	3-31-14 Share Balance	Purchases at cost	Sales at Cost	Realized Gain/(Loss) ⁽¹⁾	Distributions Received	3-31-15 Share Balance	3-31-15 Value
Ivy High Income Fund							
Maritime Finance Co. Ltd.	1,750	\$ —	\$ —	\$ —	\$1,475	1,750	\$ 30,730
Ivy Municipal High Income Fund							
1155 Island Avenue LLC	N/A	\$1,074	\$ —	\$ —	\$ —	6,578	\$ 1,250
	3-31-14 Principal Balance				Interest Received	3-31-15 Principal Balance	
1155 Island Avenue LLC, 10.000%, 12-11-24	N/A	\$2,549	—	—	\$ 73	2,960	\$ 2,963
	3-31-14 Share Balance	Purchases at cost	Sales at Cost	Realized Gain/(Loss) ⁽¹⁾	Distributions Received	3-31-15 Share Balance	3-31-15 Value
Ivy Managed International Opportunities Fund							
Ivy Emerging Markets Equity Fund, Class I	6,838	\$1,815	\$15,763	\$1,559	\$1,051	5,869	\$ 96,552
Ivy European Opportunities Fund, Class I	884	711	3,247	1,084	520	761	22,369
Ivy Global Growth Fund, Class I	1,293	1,130	8,460	794	156	1,114	48,170
Ivy Global Income Allocation Fund, Class I	1,704	1,232	4,314	17	1,041	1,507	23,421
Ivy International Core Equity Fund, Class I	2,814	5,663	8,637	3,434	1,871	2,682	48,255
				<u>\$6,888</u>	<u>\$4,639</u>		<u>\$238,767</u>

(1) Included in Realized Gain/Loss, if applicable, are distributions from capital gains from underlying securities.

10. INVESTMENT SECURITIES TRANSACTIONS (\$ amounts in thousands)

The cost of purchases and the proceeds from maturities and sales of investment securities (excluding short-term securities) for the year ended March 31, 2015, were as follows:

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Ivy Bond Fund	\$972,941	\$ 342,612	\$922,029	\$ 280,936
Ivy Core Equity Fund	—	832,648	—	657,078
Ivy Cundill Global Value Fund	—	106,992	—	83,899
Ivy Dividend Opportunities Fund	—	187,060	—	205,496
Ivy Emerging Markets Equity Fund	—	646,257	—	799,669
Ivy European Opportunities Fund	—	328,233	—	332,597
Ivy Global Bond Fund	14,981	66,486	10,881	62,474
Ivy Global Equity Income Fund	—	423,969	—	341,809
Ivy Global Growth Fund	—	364,574	—	281,051
Ivy Global Income Allocation Fund	—	647,388	—	446,290
Ivy High Income Fund	—	4,184,739	—	7,182,276
Ivy International Core Equity Fund	—	3,492,973	—	2,233,817
Ivy Large Cap Growth Fund	—	542,682	—	602,907
Ivy Limited-Term Bond Fund	54,649	574,098	104,463	528,302
Ivy Managed International Opportunities Fund	—	10,551	—	43,306
Ivy Micro Cap Growth Fund	—	107,809	—	117,788

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Ivy Mid Cap Growth Fund	\$ —	\$1,698,951	\$ —	\$1,875,873
Ivy Mid Cap Income Opportunities Fund	—	65,707	—	4,857
Ivy Money Market Fund	—	—	—	—
Ivy Municipal Bond Fund	—	29,388	—	10,785
Ivy Municipal High Income Fund	—	106,444	—	116,994
Ivy Small Cap Growth Fund	—	463,334	—	597,796
Ivy Small Cap Value Fund	—	302,688	—	303,734
Ivy Tax-Managed Equity Fund	—	41,537	—	20,586
Ivy Value Fund	—	314,444	—	250,511

11. CAPITAL SHARE TRANSACTIONS (All amounts in thousands)

The Trust has authorized an unlimited number of \$0.001 par value shares of beneficial interest of each class of each Fund. Transactions in shares of beneficial interest were as follows:

	Ivy Bond Fund				Ivy Core Equity Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	28,922	\$ 307,839	25,007	\$ 261,119	18,511	\$ 266,897	16,060	\$ 213,280
Class B	175	1,860	146	1,521	208	2,579	241	2,779
Class C	1,539	16,374	486	5,084	3,240	41,788	2,256	26,789
Class E	69	734	45	469	204	2,936	142	1,876
Class I	624	6,644	305	3,180	12,325	197,611	12,308	178,464
Class R	8	86	24	257	62	916	121	1,623
Class R6	158	1,680	N/A	N/A	293	4,717	N/A	N/A
Class Y	256	2,730	210	2,190	3,244	49,873	2,898	40,258
Shares issued in reinvestment of distributions to shareholders:								
Class A	1,372	14,619	1,361	14,205	3,019	41,836	1,903	25,267
Class B	8	87	14	146	63	759	51	602
Class C	29	312	47	488	850	10,497	602	7,213
Class E	8	85	11	113	45	617	26	344
Class I	11	113	10	109	885	13,448	368	5,322
Class R	—*	—*	—	—	7	103	1	13
Class R6	2	18	N/A	N/A	15	235	N/A	N/A
Class Y	6	63	7	77	348	5,153	168	2,376
Shares redeemed:								
Class A	(19,535)	(208,063)	(24,512)	(254,990)	(14,341)	(208,572)	(8,719)	(116,113)
Class B	(261)	(2,777)	(534)	(5,538)	(236)	(2,958)	(324)	(3,768)
Class C	(1,036)	(11,033)	(2,135)	(22,232)	(2,840)	(36,535)	(1,902)	(22,976)
Class E	(67)	(716)	(145)	(1,503)	(62)	(903)	(29)	(385)
Class I	(367)	(3,909)	(432)	(4,489)	(8,295)	(132,888)	(7,227)	(105,739)
Class R	—*	—	(23)	(252)	(31)	(445)	(24)	(306)
Class R6	(28)	(296)	N/A	N/A	(48)	(743)	N/A	N/A
Class Y	(256)	(2,722)	(410)	(4,322)	(1,274)	(19,459)	(657)	(9,285)
Net increase (decrease)	11,637	\$ 123,728	(518)	\$ (4,368)	16,192	\$ 237,462	18,263	\$ 247,634

	Ivy Cundill Global Value Fund				Ivy Dividend Opportunities Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	4,533	\$ 79,789	8,797	\$ 149,096	4,757	\$ 97,124	4,902	\$ 91,270
Class B	7	109	58	915	59	1,186	111	1,994
Class C	216	3,523	202	3,297	725	14,494	432	7,886
Class E	20	364	16	273	54	1,093	27	492
Class I	379	6,891	163	2,843	1,797	38,196	2,574	48,752
Class R	—*	8	19	297	—	—	16	287
Class R6	118	2,213	N/A	N/A	25	515	N/A	N/A
Class Y	35	618	493	8,174	75	1,521	114	2,104

	Ivy Cundill Global Value Fund				Ivy Dividend Opportunities Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued in reinvestment of distributions to shareholders:								
Class A	—	\$ —	9	\$ 166	1,727	\$ 33,227	328	\$ 6,206
Class B	—	—	—*	—*	54	1,024	10	183
Class C	—	—	—	—	237	4,495	37	692
Class E	—	—	—*	3	28	530	5	96
Class I	—	—	2	27	61	1,179	10	181
Class R	—	—	—*	—*	—	—	—	—
Class R6	—	—	N/A	N/A	1	21	N/A	N/A
Class Y	—	—	1	11	56	1,088	13	249
Shares redeemed:								
Class A	(5,568)	(96,602)	(3,723)	(62,583)	(4,410)	(90,071)	(5,166)	(96,206)
Class B	(111)	(1,809)	(238)	(3,719)	(132)	(2,618)	(158)	(2,921)
Class C	(421)	(6,849)	(285)	(4,600)	(461)	(9,220)	(428)	(7,940)
Class E	(20)	(363)	(4)	(71)	(26)	(533)	(27)	(508)
Class I	(475)	(8,447)	(80)	(1,403)	(1,640)	(34,928)	(2,489)	(47,169)
Class R	—	—	(18)	(293)	—	—	(16)	(283)
Class R6	(39)	(667)	N/A	N/A	(3)	(54)	N/A	N/A
Class Y	(112)	(1,937)	(494)	(8,777)	(161)	(3,271)	(309)	(5,718)
Net increase (decrease)	(1,438)	\$ (23,159)	4,918	\$ 83,656	2,823	\$ 54,998	(14)	\$ (353)
	Ivy Emerging Markets Equity Fund				Ivy European Opportunities Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	5,032	\$ 78,482	6,390	\$ 90,567	1,289	\$ 37,351	1,477	\$ 40,365
Class B	13	166	38	447	7	177	10	251
Class C	224	3,064	116	1,454	71	1,937	67	1,769
Class E	—	—	—*	1	—	—	—	—
Class I	818	13,262	934	13,846	169	4,986	113	3,178
Class R	14	216	19	283	—*	4	11	275
Class R6	451	7,576	N/A	N/A	78	2,295	N/A	N/A
Class Y	124	2,011	133	1,925	418	12,041	96	2,794
Shares issued in connection with merger of Ivy Asset Strategy New Opportunities Fund:								
Class A	N/A	N/A	9,872	147,434	N/A	N/A	N/A	N/A
Class B	N/A	N/A	339	4,265	N/A	N/A	N/A	N/A
Class C	N/A	N/A	2,518	33,024	N/A	N/A	N/A	N/A
Class E	N/A	N/A	7	109	N/A	N/A	N/A	N/A
Class I	N/A	N/A	1,810	27,713	N/A	N/A	N/A	N/A
Class R	N/A	N/A	41	609	N/A	N/A	N/A	N/A
Class R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	N/A	N/A	429	6,524	N/A	N/A	N/A	N/A
Shares issued in reinvestment of distributions to shareholders:								
Class A	217	3,297	152	2,284	89	2,467	16	434
Class B	—	—	—*	—*	—*	5	—	—
Class C	3	35	1	14	3	76	—	—
Class E	—*	1	—*	1	—*	2	—*	1
Class I	81	1,259	89	1,380	21	570	11	302
Class R	—*	1	—	—	—*	—	—*	—*
Class R6	3	56	N/A	N/A	1	34	N/A	N/A
Class Y	5	81	2	34	1	27	—*	13

	Ivy Emerging Markets Equity Fund				Ivy European Opportunities Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares redeemed:								
Class A	(13,724)	\$ (213,816)	(16,193)	\$ (229,145)	(1,747)	\$ (50,218)	(2,522)	\$ (67,978)
Class B	(262)	(3,414)	(317)	(3,723)	(38)	(1,016)	(66)	(1,639)
Class C	(1,072)	(14,622)	(598)	(7,504)	(106)	(2,887)	(73)	(1,864)
Class E	—	—	—	—	—	—	—	—
Class I	(2,780)	(44,731)	(4,165)	(62,531)	(282)	(8,220)	(576)	(16,600)
Class R	(3)	(46)	(24)	(357)	—*	—	(10)	(267)
Class R6	(67)	(1,065)	N/A	N/A	(18)	(522)	N/A	N/A
Class Y	(238)	(3,758)	(169)	(2,477)	(433)	(12,168)	(70)	(1,992)
Net increase (decrease)	(11,161)	\$ (171,945)	1,424	\$ 26,177	(477)	\$ (13,059)	(1,516)	\$ (40,958)
	Ivy Global Bond Fund				Ivy Global Equity Income Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	6,962	\$ 69,534	9,348	\$ 93,944	8,630	\$ 114,528	11,870	\$ 149,251
Class B	89	898	186	1,880	138	1,879	235	2,950
Class C	1,115	11,202	882	8,922	1,108	14,959	1,457	18,759
Class I	2,612	26,274	3,945	39,715	2,872	39,292	3,828	49,428
Class R	23	224	34	348	—*	2	22	279
Class R6	32	319	N/A	N/A	116	1,558	N/A	N/A
Class Y	353	3,535	511	5,135	662	9,104	1,247	16,104
Shares issued in reinvestment of distributions to shareholders:								
Class A	569	5,640	564	5,653	865	11,307	447	5,595
Class B	12	114	14	137	2	22	1	13
Class C	65	648	90	906	16	204	5	61
Class I	155	1,534	162	1,627	20	258	6	82
Class R	—*	5	—*	1	—*	—*	—	—
Class R6	—*	1	N/A	N/A	4	49	N/A	N/A
Class Y	24	243	17	172	1	18	—*	1
Shares redeemed:								
Class A	(7,768)	(76,932)	(8,360)	(83,852)	(4,338)	(57,955)	(3,457)	(44,273)
Class B	(181)	(1,779)	(269)	(2,687)	(137)	(1,871)	(213)	(2,682)
Class C	(1,294)	(12,766)	(1,909)	(19,145)	(728)	(9,939)	(1,250)	(16,116)
Class I	(2,932)	(28,856)	(4,105)	(41,108)	(2,380)	(32,434)	(3,708)	(47,897)
Class R	(6)	(59)	(25)	(257)	—*	(1)	(22)	(275)
Class R6	(2)	(21)	N/A	N/A	(24)	(305)	N/A	N/A
Class Y	(591)	(5,716)	(304)	(3,052)	(638)	(8,776)	(1,228)	(15,857)
Net increase (decrease)	(763)	\$ (5,958)	781	\$ 8,339	6,189	\$ 81,899	9,240	\$ 115,423
	Ivy Global Growth Fund				Ivy Global Income Allocation Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	3,159	\$ 131,190	4,165	\$ 159,327	17,412	\$ 270,113	16,886	\$ 253,566
Class B	28	1,044	42	1,369	39	596	73	1,077
Class C	118	4,366	113	3,940	3,007	45,764	621	9,166
Class E	3	128	—	—*	30	461	24	367
Class I	662	27,895	549	22,161	3,490	55,050	1,067	16,325
Class R	31	1,309	12	471	—*	8	18	271
Class R6	66	2,804	N/A	N/A	124	1,979	N/A	N/A
Class Y	239	10,043	39	1,528	79	1,233	136	2,049

	Ivy Global Growth Fund				Ivy Global Income Allocation Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued in reinvestment of distributions to shareholders:								
Class A	118	\$ 4,771	84	\$ 3,286	1,416	\$ 21,836	1,051	\$ 15,582
Class B	1	50	1	18	10	160	12	175
Class C	9	327	3	117	77	1,170	54	794
Class E	—*	2	—*	2	7	103	6	93
Class I	25	1,035	18	709	137	2,128	80	1,196
Class R	—*	7	—*	1	—	—	—	—
Class R6	1	33	N/A	N/A	3	43	N/A	N/A
Class Y	4	148	3	132	11	182	16	233
Shares redeemed:								
Class A	(1,970)	(82,044)	(1,550)	(59,317)	(8,082)	(124,566)	(7,070)	(106,163)
Class B	(58)	(2,158)	(37)	(1,274)	(113)	(1,719)	(132)	(1,960)
Class C	(184)	(6,833)	(112)	(3,798)	(1,633)	(24,314)	(546)	(8,107)
Class E	(3)	(128)	—	—	(24)	(365)	(15)	(229)
Class I	(483)	(20,301)	(318)	(12,211)	(3,053)	(46,649)	(684)	(10,279)
Class R	(21)	(868)	(7)	(275)	—	—	(17)	(267)
Class R6	(8)	(335)	N/A	N/A	(12)	(191)	N/A	N/A
Class Y	(257)	(10,614)	(143)	(5,367)	(365)	(5,538)	(67)	(1,008)
Net increase	1,480	\$ 61,871	2,862	\$ 110,819	12,560	\$ 197,484	11,513	\$ 172,881
	Ivy High Income Fund				Ivy International Core Equity Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	119,706	\$ 1,020,573	233,788	\$ 2,032,610	31,768	\$ 594,509	22,847	\$ 403,209
Class B	512	4,338	3,488	30,336	206	3,601	91	1,456
Class C	49,207	419,101	80,935	703,799	4,549	75,594	1,411	22,922
Class E	246	2,081	348	3,026	59	1,125	38	681
Class I	244,300	2,083,688	307,838	2,673,616	40,214	745,987	13,145	236,118
Class R	4,369	37,218	3,402	29,609	787	14,630	249	4,568
Class R6	1,744	14,314	N/A	N/A	1,246	22,559	N/A	N/A
Class Y	53,561	453,614	90,452	785,950	24,856	443,115	2,124	38,191
Shares issued in reinvestment of distributions to shareholders:								
Class A	31,348	262,970	30,064	260,999	7,185	123,144	934	16,834
Class B	1,058	8,843	1,075	9,329	86	1,314	9	154
Class C	13,254	110,843	11,489	99,724	807	12,400	81	1,323
Class E	98	821	83	717	29	491	4	75
Class I	24,864	208,715	22,197	192,720	5,379	92,632	766	13,882
Class R	460	3,820	84	728	67	1,152	2	30
Class R6	44	362	N/A	N/A	32	549	N/A	N/A
Class Y	7,759	65,171	7,456	64,736	1,352	23,330	151	2,743
Shares redeemed:								
Class A	(264,430)	(2,248,615)	(142,396)	(1,235,658)	(15,561)	(292,844)	(13,179)	(232,015)
Class B	(3,968)	(33,430)	(3,176)	(27,550)	(229)	(3,868)	(191)	(3,029)
Class C	(81,869)	(686,963)	(45,002)	(390,707)	(1,663)	(27,663)	(1,424)	(22,536)
Class E	(256)	(2,140)	(199)	(1,728)	(38)	(717)	(20)	(359)
Class I	(423,122)	(3,591,356)	(152,154)	(1,321,278)	(12,568)	(233,911)	(7,663)	(136,958)
Class R	(1,096)	(9,133)	(78)	(680)	(47)	(895)	(17)	(288)
Class R6	(164)	(1,339)	N/A	N/A	(114)	(2,055)	N/A	N/A
Class Y	(98,822)	(831,671)	(64,624)	(560,132)	(4,990)	(90,620)	(3,484)	(60,187)
Net increase (decrease)	(321,196)	\$ (2,708,175)	385,070	\$ 3,350,166	83,412	\$ 1,503,559	15,874	\$ 286,814

	Ivy Large Cap Growth Fund				Ivy Limited-Term Bond Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	16,050	\$ 298,906	15,807	\$ 273,530	59,088	\$ 644,415	82,065	\$ 901,644
Class B	191	3,008	117	1,753	138	1,505	412	4,520
Class C	1,210	19,851	675	10,432	6,422	69,944	3,956	43,684
Class E	104	1,963	57	980	133	1,458	120	1,316
Class I	11,595	226,691	1,736	30,510	3,975	43,361	4,475	49,521
Class R	363	6,649	311	5,252	49	532	24	276
Class R6	316	6,224	N/A	N/A	394	4,298	N/A	N/A
Class Y	1,328	24,969	850	14,846	472	5,155	857	9,458
Shares issued in reinvestment of distributions to shareholders:								
Class A	3,719	67,420	6,486	109,684	1,887	20,589	2,301	25,236
Class B	51	757	83	1,184	7	76	18	194
Class C	317	5,029	469	7,061	61	671	152	1,664
Class E	32	578	43	729	4	46	6	66
Class I	977	18,356	608	10,600	54	587	89	977
Class R	108	1,917	185	3,073	—*	2	—*	—
Class R6	17	314	N/A	N/A	4	40	N/A	N/A
Class Y	480	8,871	781	13,433	28	301	52	569
Shares redeemed:								
Class A	(24,762)	(462,971)	(22,957)	(395,542)	(55,917)	(609,852)	(59,860)	(658,323)
Class B	(225)	(3,443)	(211)	(3,126)	(621)	(6,780)	(971)	(10,672)
Class C	(962)	(15,620)	(1,111)	(17,194)	(7,803)	(85,095)	(11,461)	(125,903)
Class E	(69)	(1,289)	(41)	(717)	(87)	(945)	(201)	(2,209)
Class I	(3,101)	(59,927)	(4,559)	(79,360)	(4,494)	(49,001)	(10,570)	(116,234)
Class R	(863)	(15,749)	(507)	(8,611)	(27)	(291)	(23)	(251)
Class R6	(28)	(560)	N/A	N/A	(92)	(1,001)	N/A	N/A
Class Y	(2,363)	(43,915)	(2,148)	(37,737)	(912)	(9,945)	(3,799)	(41,891)
Net increase (decrease)	4,485	\$ 88,029	(3,326)	\$ (59,220)	2,763	\$ 30,070	7,642	\$ 83,642
	Ivy Managed International Opportunities Fund				Ivy Micro Cap Growth Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	3,832	\$ 39,487	5,707	\$ 54,288	2,910	\$ 70,596	4,862	\$ 119,826
Class B	8	85	17	158	5	126	57	1,371
Class C	103	1,039	43	406	163	3,859	346	8,531
Class E	—	—	—*	—*	N/A	N/A	N/A	N/A
Class I	53	557	14	134	965	23,963	1,344	35,094
Class R	—	—	28	268	15	358	30	670
Class R6	N/A	N/A	N/A	N/A	132	3,233	N/A	N/A
Class Y	53	546	31	279	94	2,346	130	3,472
Shares issued in connection with merger of Ivy Managed European/Pacific Fund:								
Class A	N/A	N/A	6,302	62,846	N/A	N/A	N/A	N/A
Class B	N/A	N/A	113	1,111	N/A	N/A	N/A	N/A
Class C	N/A	N/A	124	1,224	N/A	N/A	N/A	N/A
Class E	N/A	N/A	21	206	N/A	N/A	N/A	N/A
Class I	N/A	N/A	39	388	N/A	N/A	N/A	N/A
Class R	N/A	N/A	28	275	N/A	N/A	N/A	N/A
Class R6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	N/A	N/A	70	697	N/A	N/A	N/A	N/A

	Ivy Managed International Opportunities Fund				Ivy Micro Cap Growth Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued in reinvestment of distributions to shareholders:								
Class A	325	\$ 3,168	212	\$ 2,086	481	\$ 11,007	362	\$ 8,860
Class B	2	20	1	11	5	106	6	142
Class C	5	46	3	30	24	533	21	507
Class E	1	6	—*	3	N/A	N/A	N/A	N/A
Class I	1	12	—*	4	52	1,204	29	731
Class R	—	—	—	—	1	11	—*	—*
Class R6	N/A	N/A	N/A	N/A	6	132	N/A	N/A
Class Y	2	19	1	9	5	118	2	63
Shares redeemed:								
Class A	(7,531)	(77,740)	(7,583)	(72,143)	(3,148)	(75,721)	(1,407)	(34,666)
Class B	(114)	(1,150)	(60)	(561)	(48)	(1,112)	(20)	(443)
Class C	(212)	(2,143)	(103)	(968)	(274)	(6,402)	(80)	(1,960)
Class E	—	—	—	—	N/A	N/A	N/A	N/A
Class I	(18)	(184)	(28)	(261)	(1,419)	(34,905)	(320)	(8,412)
Class R	—	—	(28)	(265)	(2)	(38)	(29)	(648)
Class R6	N/A	N/A	N/A	N/A	(44)	(1,067)	N/A	N/A
Class Y	(47)	(482)	(30)	(283)	(118)	(2,933)	(60)	(1,570)
Net increase (decrease)	(3,537)	\$ (36,714)	4,922	\$ 49,942	(195)	\$ (4,586)	5,273	\$ 131,568

	Ivy Mid Cap Growth Fund				Ivy Mid Cap Income Opportunities Fund ⁽¹⁾	
	Year ended 3-31-15		Year ended 3-31-14		Period from 10-1-14 to 3-31-15	
	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:						
Class A	12,057	\$ 281,178	22,970	\$ 505,292	4,902	\$ 52,192
Class B	63	1,235	247	4,649	N/A	N/A
Class C	4,089	85,160	5,683	114,333	492	5,131
Class E	66	1,505	58	1,262	401	4,160
Class I	53,994	1,339,577	40,711	934,760	1,426	14,833
Class R	1,275	29,268	1,996	43,369	401	4,158
Class R6	1,116	26,909	N/A	N/A	448	4,671
Class Y	8,826	211,673	11,376	259,587	681	7,101
Shares issued in reinvestment of distributions to shareholders:						
Class A	4,198	92,771	2,227	49,407	9	102
Class B	130	2,433	44	845	N/A	N/A
Class C	1,411	27,840	353	7,123	—*	1
Class E	31	660	9	189	—	—
Class I	10,285	240,061	2,470	57,454	1	8
Class R	350	7,626	117	2,573	—	—
Class R6	16	377	N/A	N/A	—*	2
Class Y	2,407	55,055	836	19,119	—*	1
Shares redeemed:						
Class A	(38,938)	(925,023)	(16,142)	(358,196)	(1,067)	(11,534)
Class B	(253)	(5,061)	(208)	(3,966)	N/A	N/A
Class C	(2,952)	(61,840)	(2,104)	(42,414)	(212)	(2,283)
Class E	(31)	(702)	(17)	(379)	(200)	(2,152)
Class I	(31,181)	(761,362)	(20,030)	(468,432)	(657)	(7,070)
Class R	(1,895)	(43,749)	(1,507)	(32,445)	(200)	(2,150)
Class R6	(47)	(1,164)	N/A	N/A	(210)	(2,257)
Class Y	(10,850)	(261,658)	(8,515)	(194,702)	(300)	(3,230)
Net increase	14,167	\$ 342,769	40,574	\$ 899,428	5,915	\$ 61,684

	Ivy Money Market Fund				Ivy Municipal Bond Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	139,621	\$ 139,621	213,404	\$ 213,404	5,297	\$ 63,416	4,023	\$ 47,420
Class B	3,443	3,443	4,830	4,830	31	375	34	398
Class C	73,295	73,295	61,484	61,484	629	7,532	339	3,976
Class E	2,639	2,639	3,445	3,445	N/A	N/A	N/A	N/A
Class I	N/A	N/A	N/A	N/A	300	3,592	120	1,395
Class Y	N/A	N/A	N/A	N/A	11	125	2	19
Shares issued in reinvestment of distributions to shareholders:								
Class A	25	25	28	28	251	3,003	272	3,188
Class B	1	1	1	1	2	30	3	42
Class C	6	6	7	7	27	328	34	395
Class E	1	1	1	1	N/A	N/A	N/A	N/A
Class I	N/A	N/A	N/A	N/A	5	65	3	34
Class Y	N/A	N/A	N/A	N/A	—*	5	—*	5
Shares redeemed:								
Class A	(158,165)	(158,165)	(204,766)	(204,766)	(2,949)	(35,284)	(5,623)	(65,756)
Class B	(6,070)	(6,070)	(5,998)	(5,998)	(54)	(650)	(118)	(1,390)
Class C	(75,175)	(75,175)	(61,957)	(61,957)	(420)	(5,031)	(1,123)	(13,163)
Class E	(2,746)	(2,746)	(2,882)	(2,882)	N/A	N/A	N/A	N/A
Class I	N/A	N/A	N/A	N/A	(46)	(553)	(119)	(1,387)
Class Y	N/A	N/A	N/A	N/A	(2)	(23)	(16)	(185)
Net increase (decrease)	(23,125)	\$ (23,125)	7,597	\$ 7,597	3,082	\$ 36,930	(2,169)	\$ (25,009)

	Ivy Municipal High Income Fund				Ivy Small Cap Growth Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	28,375	\$ 148,417	25,901	\$ 131,877	5,445	\$ 96,695	8,269	\$ 147,571
Class B	262	1,372	272	1,410	23	345	162	2,414
Class C	10,798	56,371	9,358	47,679	952	14,864	1,667	26,456
Class E	N/A	N/A	N/A	N/A	75	1,327	71	1,269
Class I	53,531	278,745	73,080	369,430	2,888	61,921	3,707	78,702
Class R	N/A	N/A	N/A	N/A	836	14,750	1,345	23,825
Class R6	N/A	N/A	N/A	N/A	1,022	22,433	N/A	N/A
Class Y	6,269	32,806	1,605	8,199	2,182	45,257	3,516	72,265
Shares issued in reinvestment of distributions to shareholders:								
Class A	2,647	13,822	3,525	17,844	1,299	22,322	1,797	31,046
Class B	56	292	72	365	56	788	82	1,183
Class C	1,084	5,660	1,442	7,292	886	13,258	1,217	18,622
Class E	N/A	N/A	N/A	N/A	20	338	22	372
Class I	3,791	19,813	4,137	20,948	465	9,703	708	14,660
Class R	N/A	N/A	N/A	N/A	133	2,275	146	2,517
Class R6	N/A	N/A	N/A	N/A	53	1,117	N/A	N/A
Class Y	153	801	210	1,068	653	13,108	964	19,269
Shares redeemed:								
Class A	(32,839)	(171,072)	(56,121)	(285,021)	(8,112)	(144,617)	(5,417)	(96,732)
Class B	(446)	(2,336)	(914)	(4,634)	(189)	(2,766)	(188)	(2,820)
Class C	(10,029)	(52,204)	(26,738)	(135,246)	(2,910)	(45,486)	(2,015)	(32,023)
Class E	N/A	N/A	N/A	N/A	(36)	(638)	(21)	(381)
Class I	(41,358)	(214,997)	(97,523)	(494,583)	(5,078)	(109,634)	(2,454)	(52,437)
Class R	N/A	N/A	N/A	N/A	(821)	(14,390)	(538)	(9,600)
Class R6	N/A	N/A	N/A	N/A	(123)	(2,669)	N/A	N/A
Class Y	(5,371)	(28,341)	(5,190)	(26,189)	(3,696)	(76,230)	(3,373)	(69,842)
Net increase (decrease)	16,923	\$ 89,149	(66,884)	\$ (339,561)	(3,977)	\$ (75,929)	9,667	\$ 176,336

	Ivy Small Cap Value Fund				Ivy Tax-Managed Equity Fund			
	Year ended 3-31-15		Year ended 3-31-14		Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	2,980	\$ 53,172	3,457	\$ 61,992	2,003	\$ 36,831	1,285	\$ 19,995
Class B	13	206	27	434	32	575	94	1,520
Class C	220	3,538	296	4,873	79	1,403	72	1,163
Class E	7	144	—	—	N/A	N/A	N/A	N/A
Class I	995	19,120	603	11,485	119	2,254	127	2,103
Class R	73	1,303	64	1,156	N/A	N/A	N/A	N/A
Class R6	196	3,803	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	284	5,104	259	4,789	13	233	22	381
Shares issued in reinvestment of distributions to shareholders:								
Class A	1,347	22,316	1,685	28,472	67	1,230	63	1,025
Class B	24	342	31	467	—*	5	—*	3
Class C	108	1,610	127	1,974	2	35	2	25
Class E	1	14	1	16	N/A	N/A	N/A	N/A
Class I	170	2,973	143	2,533	1	21	1	9
Class R	9	147	2	34	N/A	N/A	N/A	N/A
Class R6	16	284	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	30	517	42	728	1	11	—*	9
Shares redeemed:								
Class A	(3,932)	(70,450)	(4,878)	(87,509)	(775)	(14,169)	(739)	(11,619)
Class B	(61)	(944)	(63)	(1,003)	(12)	(214)	(93)	(1,496)
Class C	(337)	(5,460)	(249)	(4,086)	(51)	(926)	(40)	(675)
Class E	(8)	(144)	—	—	N/A	N/A	N/A	N/A
Class I	(928)	(17,208)	(504)	(9,638)	(23)	(418)	(119)	(1,975)
Class R	(35)	(607)	(19)	(344)	N/A	N/A	N/A	N/A
Class R6	(30)	(542)	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	(318)	(5,941)	(162)	(3,001)	(5)	(100)	(27)	(470)
Net increase	824	\$ 13,297	862	\$ 13,372	1,451	\$ 26,771	648	\$ 9,998

	Ivy Value Fund			
	Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value
Shares issued from sale of shares:				
Class A	5,707	\$ 139,648	5,127	\$ 113,237
Class B	82	1,928	54	1,123
Class C	519	12,514	233	4,956
Class E	6	158	—	—
Class I	948	23,810	104	2,318
Class R	—*	12	15	310
Class R6	56	1,343	N/A	N/A
Class Y	326	8,229	28	626
Shares issued in reinvestment of distributions to shareholders:				
Class A	877	20,627	408	9,054
Class B	14	309	10	203
Class C	59	1,343	22	471
Class E	1	11	—*	6
Class I	67	1,589	7	162
Class R	—*	—*	—	—
Class R6	1	21	N/A	N/A
Class Y	24	575	1	17

	Ivy Value Fund			
	Year ended 3-31-15		Year ended 3-31-14	
	Shares	Value	Shares	Value
Shares redeemed:				
Class A	(4,413)	\$(107,259)	(2,756)	\$(60,845)
Class B	(140)	(3,203)	(99)	(2,077)
Class C	(226)	(5,326)	(112)	(2,394)
Class E	(6)	(158)	—	—
Class I	(610)	(14,399)	(81)	(1,807)
Class R	—*	(4)	(14)	(292)
Class R6	(1)	(29)	N/A	N/A
Class Y	(310)	(7,213)	(45)	(994)
Net increase	2,981	\$ 74,526	2,902	\$ 64,074

* Not shown due to rounding.

(1) Period from October 1, 2014 (commencement of operations) to March 31, 2015.

12. COMMITMENTS (\$ amounts in thousands)

Bridge loan commitments may obligate a Fund to furnish temporary financing to a borrower until permanent financing can be arranged. At year ended March 31, 2015, Ivy High Income Fund had outstanding bridge loan commitments of \$42,343. In connection with these commitments, the Fund earns a commitment fee, typically set as a percentage of the commitment amount. Such fee income is included in interest income on the Statement of Operations.

13. FEDERAL INCOME TAX MATTERS (\$ amounts in thousands)

For Federal income tax purposes, cost of investments owned at March 31, 2015 and the related unrealized appreciation (depreciation) were as follows:

Fund	Cost of Investments	Gross Appreciation	Gross Depreciation	Net Unrealized Appreciation (Depreciation)
Ivy Bond Fund	\$ 730,453	\$ 21,567	\$ 5,528	\$ 16,039
Ivy Core Equity Fund	921,575	222,752	13,289	209,463
Ivy Cundill Global Value Fund	298,036	50,102	31,378	18,724
Ivy Dividend Opportunities Fund	330,564	101,412	6,095	95,317
Ivy Emerging Markets Equity Fund	514,499	115,802	15,179	100,623
Ivy European Opportunities Fund	172,864	24,883	5,858	19,025
Ivy Global Bond Fund	281,355	7,044	20,302	(13,258)
Ivy Global Equity Income Fund	282,500	19,758	4,268	15,490
Ivy Global Growth Fund	460,333	85,798	11,564	74,234
Ivy Global Income Allocation Fund	764,995	43,986	39,869	4,117
Ivy High Income Fund	8,029,178	127,044	356,846	(229,802)
Ivy International Core Equity Fund	3,228,414	342,134	87,028	255,106
Ivy Large Cap Growth Fund	1,089,764	596,727	5,238	591,489
Ivy Limited-Term Bond Fund	1,672,212	22,552	1,640	20,912
Ivy Managed International Opportunities Fund	186,866	52,163	—	52,163
Ivy Micro Cap Growth Fund	188,774	62,863	13,563	49,300
Ivy Mid Cap Growth Fund	4,141,179	1,250,353	239,773	1,010,580
Ivy Mid Cap Income Opportunities Fund	62,076	5,526	1,795	3,731
Ivy Money Market Fund	158,666	—	—	—
Ivy Municipal Bond Fund	168,529	13,115	1,034	12,081
Ivy Municipal High Income Fund	1,284,212	97,863	48,019	49,844
Ivy Small Cap Growth Fund	767,737	386,142	5,272	380,870
Ivy Small Cap Value Fund	258,622	49,048	2,346	46,702
Ivy Tax-Managed Equity Fund	60,840	18,152	49	18,103
Ivy Value Fund	299,150	54,420	6,536	47,884

For Federal income tax purposes, the Funds' distributed and undistributed earnings and profit for the year ended March 31, 2015 and the post-October and late-year ordinary activity were as follows:

Fund	Distributed Ordinary Income	Undistributed Ordinary Income	Distributed Long-Term Capital Gains	Undistributed Long-Term Capital Gains	Tax Return of Capital	Post-October Capital Losses Deferred	Late-Year Ordinary Losses Deferred
Ivy Bond Fund	\$ 16,383	\$ 169	\$ —	\$ —	\$—	\$ —	\$ —
Ivy Core Equity Fund	10,172	853	70,493	23,565	—	—	—
Ivy Cundill Global Value Fund	—	375	—	—	—	—	—
Ivy Dividend Opportunities Fund	8,347	1,563	36,886	18,648	—	—	—
Ivy Emerging Markets Equity Fund	4,850	4,978	—	—	—	—	—
Ivy European Opportunities Fund	3,277	—	—	—	—	3,231	—
Ivy Global Bond Fund	9,676	582	—	—	—	1,199	—
Ivy Global Equity Income Fund	8,517	772	5,103	8,438	—	—	—
Ivy Global Growth Fund	499	570	6,210	7,255	—	—	—
Ivy Global Income Allocation Fund	26,803	4,162	—	—	—	7,117	—
Ivy High Income Fund	714,539	3,164	102,306	—	—	16,409	—
Ivy International Core Equity Fund	96,423	7,357	187,458	—	—	27,940	—
Ivy Large Cap Growth Fund	—	—	110,293	50,840	—	—	1,267
Ivy Limited-Term Bond Fund	23,368	244	—	—	—	—	—
Ivy Managed International Opportunities Fund	3,332	—	—	—	—	—	153
Ivy Micro Cap Growth Fund	3,852	—	9,502	—	—	2,664	834
Ivy Mid Cap Growth Fund	43,907	47,537	430,721	120,439	—	—	—
Ivy Mid Cap Income Opportunities Fund	253	311	—	—	—	—	—
Ivy Money Market Fund	35	28	—	—	—	—	—
Ivy Municipal Bond Fund	3,922	33	—	—	—	1,234	—
Ivy Municipal High Income Fund	55,643	263	—	—	—	3,580	—
Ivy Small Cap Growth Fund	—	79	67,691	48,384	—	—	—
Ivy Small Cap Value Fund	3,510	—	25,999	23,568	—	35	—
Ivy Tax-Managed Equity Fund	—	350	1,437	1,069	—	—	—
Ivy Value Fund	8,378	298	16,969	13,949	—	190	—

Internal Revenue Code regulations permit each Fund to elect to defer into its next fiscal year capital losses incurred between each November 1 and the end of its fiscal year. Each Fund is also permitted to defer into its next fiscal year late-year ordinary losses that arise from the netting of activity generated between each November 1 and the end of its fiscal year on certain specified ordinary items.

Accumulated capital losses represent net capital loss carryovers as of March 31, 2015 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. Under the Regulated Investment Company Modernization Act of 2010 (the "Modernization Act"), a Fund is permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. Any losses incurred during those future taxable years will be required to be utilized prior to any losses incurred in pre-enactment taxable years which have only an eight year carryforward period. As a result of this ordering rule, pre-enactment capital loss carryovers may expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under the previous law. The Fund's first fiscal year end subject to the Modernization Act was March 31, 2012. The following table shows the expiration dates for capital loss carryovers from pre-enactment taxable years and the amounts of capital loss carryovers, if any, by each of the applicable Funds electing to be taxed as a regulated investment company during the year ended March 31, 2015:

Fund	Pre-Enactment				Post-Enactment	
	2016	2017	2018	2019	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Ivy Bond Fund	\$6,969	\$11,988	\$ —	\$ —	\$ —	\$ —
Ivy Core Equity Fund	—	—	—	—	—	—
Ivy Cundill Global Value Fund	—	—	6,489	—	—	—
Ivy Dividend Opportunities Fund	—	—	—	—	—	—
Ivy Emerging Markets Equity Fund	—	—	606	—	57,210	1,842
Ivy European Opportunities Fund	—	—	115,739	—	—	—
Ivy Global Bond Fund	—	—	—	—	232	1,961
Ivy Global Equity Income Fund	—	—	—	—	—	—
Ivy Global Growth Fund	—	—	—	—	—	—
Ivy Global Income Allocation Fund	—	—	5,466	—	—	—
Ivy High Income Fund	—	—	—	—	—	—
Ivy International Core Equity Fund	—	—	—	—	—	—
Ivy Large Cap Growth Fund	—	40,265	—	—	—	—

Fund	Pre-Enactment				Post-Enactment	
	2016	2017	2018	2019	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Ivy Limited-Term Bond Fund	\$ —	\$ —	\$ —	\$ —	\$ 9,936	\$10,001
Ivy Managed International Opportunities Fund	—	15,270	9,587	10,440	—	4,492
Ivy Micro Cap Growth Fund	—	—	—	—	433	—
Ivy Mid Cap Growth Fund	—	—	—	—	—	—
Ivy Mid Cap Income Opportunities Fund	—	—	—	—	—	—
Ivy Money Market Fund	—	—	—	33	—	—
Ivy Municipal Bond Fund	34	101	84	146	171	731
Ivy Municipal High Income Fund	—	—	—	—	8,621	1,058
Ivy Small Cap Growth Fund	—	—	—	—	—	—
Ivy Small Cap Value Fund	—	—	—	—	—	—
Ivy Tax-Managed Equity Fund	—	—	—	—	—	—
Ivy Value Fund	—	—	—	—	—	—

Ivy Mortgage Securities Fund was merged into Ivy Bond Fund as of January 24, 2011. At the time of the merger, Ivy Mortgage Securities Fund had capital loss carryovers available to offset future gains of the Ivy Bond Fund. These carryovers are limited to \$10,361 for the period ending March 31, 2016 and \$4,298 for each period ending from March 31, 2017 through 2018 plus any unused limitations from prior years.

Ivy Capital Appreciation Fund was merged into Ivy Large Cap Growth Fund as of June 13, 2011. At the time of the merger, Ivy Capital Appreciation Fund had capital loss carryovers available to offset future gains of the Ivy Large Cap Growth Fund. These carryovers are limited to \$18,066 for each period ending from March 31, 2016 through 2017 plus any unused limitations from prior years.

Ivy Asset Strategy New Opportunities Fund was merged into Ivy Emerging Markets Equity Fund as of March 17, 2014. At the time of the merger, Ivy Asset Strategy New Opportunities Fund had capital loss carryovers available to offset future gains of the Ivy Emerging Markets Equity Fund. These carryovers are annually limited to \$7,827 plus any unused limitations from prior years.

Ivy Managed European/Pacific Fund was merged into Ivy Managed International Opportunities Fund as of March 17, 2014. At the time of the merger, Ivy Managed European/Pacific Fund had capital loss carryovers available to offset future gains of the Ivy Managed International Opportunities Fund. These carryovers are annually limited to \$2,377 plus any unused limitations from prior years.

Net investment income dividends and capital gains distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. These differences are due to differing treatments for items such as deferral of wash sales, post-October losses, late-year ordinary losses, foreign currency transactions, net operating losses, income from passive foreign investment companies (PFICs), partnership transactions, and expiring capital loss carryovers. At March 31, 2015, the following reclassifications were made:

Fund	Undistributed Net Investment Income	Accumulated Net Realized Gain (Loss)	Paid-In Capital	Unrealized Appreciation (Depreciation)
Ivy Bond Fund	\$ 1,728	\$ (1,712)	\$ (16)	\$—
Ivy Core Equity Fund	1	—	(1)	—
Ivy Cundill Global Value Fund	(145)	145	—	—
Ivy Dividend Opportunities Fund	20	(19)	(1)	—
Ivy Emerging Markets Equity Fund	5,955	(5,596)	(359)	—
Ivy European Opportunities Fund	84	(57)	(27)	—
Ivy Global Bond Fund	(318)	318	—	—
Ivy Global Equity Income Fund	132	(132)	—	—
Ivy Global Growth Fund	1,192	(1,192)	—	—
Ivy Global Income Allocation Fund	(59)	59	—	—
Ivy High Income Fund	(1,218)	1,218	—	—
Ivy International Core Equity Fund	4,244	(4,244)	—	—
Ivy Large Cap Growth Fund	2,553	—	(2,553)	—
Ivy Limited-Term Bond Fund	913	(913)	—	—
Ivy Managed International Opportunities Fund	7	—	(7)	—
Ivy Micro Cap Growth Fund	2,729	1,772	(4,501)	—
Ivy Mid Cap Growth Fund	18,130	(18,130)	—*	—
Ivy Mid Cap Income Opportunities Fund	2	35	(37)	—
Ivy Money Market Fund	—	—	—	—
Ivy Municipal Bond Fund	—	—	—	—
Ivy Municipal High Income Fund	—	20	(20)	—
Ivy Small Cap Growth Fund	9,297	(9,291)	—	(6)
Ivy Small Cap Value Fund	2,191	(2,190)	(1)	—
Ivy Tax-Managed Equity Fund	135	(135)	—	—
Ivy Value Fund	802	(795)	(7)	—

* Not shown due to rounding.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

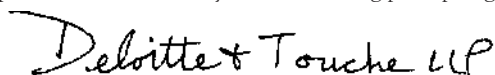
Ivy Funds

To the Shareholders and Board of Trustees of Ivy Funds:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of Ivy Bond Fund, Ivy Core Equity Fund, Ivy Cundill Global Value Fund, Ivy Dividend Opportunities Fund, Ivy Emerging Markets Equity Fund, Ivy European Opportunities Fund, Ivy Global Bond Fund, Ivy Global Equity Income Fund, Ivy Global Growth Fund (formerly, Ivy International Growth Fund), Ivy Global Income Allocation Fund, Ivy High Income Fund, Ivy International Core Equity Fund, Ivy Large Cap Growth Fund, Ivy Limited-Term Bond Fund, Ivy Managed International Opportunities Fund, Ivy Micro Cap Growth Fund, Ivy Mid Cap Growth Fund, Ivy Mid Cap Income Opportunities Fund, Ivy Money Market Fund, Ivy Municipal Bond Fund, Ivy Municipal High Income Fund, Ivy Small Cap Growth Fund, Ivy Small Cap Value Fund, Ivy Tax-Managed Equity Fund, and Ivy Value Fund, twenty-five of the thirty-three funds constituting Ivy Funds (the "Funds"), as of March 31, 2015, and the related statements of operations for the year then ended (as to the Ivy Mid Cap Income Opportunities Fund, for the period from October 1, 2014 (commencement of operations) through March 31, 2015), the statements of changes in net assets for each of the two years in the period then ended (as to the Ivy Mid Cap Income Opportunities Fund, for the period from October 1, 2014 (commencement of operations) through March 31, 2015), and the financial highlights for each of the periods presented. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of March 31, 2015, by correspondence with the custodian, transfer agent, agent banks, and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of each of the Funds as of March 31, 2015, the results of their operations, the changes in their net assets, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.



Deloitte & Touche LLP
Kansas City, Missouri
May 22, 2015

INCOME TAX INFORMATION

Ivy Funds

AMOUNTS NOT ROUNDED (UNAUDITED)

The Funds hereby designate the following amounts of dividends paid from net ordinary income as dividends qualifying for the 70% dividends received deduction for corporations or as qualified dividend income for individuals for the tax period ended March 31, 2015:

	Dividends Received Deduction for Corporations	Qualified Dividend Income for Individuals
Ivy Bond Fund	\$ —	\$ —
Ivy Core Equity Fund	8,046,075	9,609,049
Ivy Cundill Global Value Fund	—	—
Ivy Dividend Opportunities Fund	7,024,412	8,002,190
Ivy Emerging Markets Equity Fund	107,600	6,201,882
Ivy European Opportunities Fund	—	3,799,372
Ivy Global Bond Fund	281,316	922,761
Ivy Global Equity Income Fund	1,737,082	9,105,560
Ivy Global Growth Fund	106,333	1,168,662
Ivy Global Income Allocation Fund	4,772,406	20,491,427
Ivy High Income Fund	—	—
Ivy International Core Equity Fund	—	56,510,880
Ivy Large Cap Growth Fund	—	—
Ivy Limited-Term Bond Fund	—	—
Ivy Managed International Opportunities Fund	210,303	3,773,697
Ivy Micro Cap Growth Fund	139,916	147,920
Ivy Mid Cap Growth Fund	4,844,875	4,836,338
Ivy Mid Cap Income Opportunities Fund	253,313	253,313
Ivy Money Market Fund	—	—
Ivy Municipal Bond Fund	—	—
Ivy Municipal High Income Fund	—	—
Ivy Small Cap Growth Fund	—	—
Ivy Small Cap Value Fund	632,131	701,258
Ivy Tax-Managed Equity Fund	—	—
Ivy Value Fund	4,804,386	5,141,786

Ivy Municipal Bond Fund and Ivy Municipal High Income Fund hereby designate \$3,903,055 and \$55,377,801, respectively, of the dividends declared from net investment income as exempt from federal income tax for the tax period ending March 31, 2015.

The Funds hereby designate the following amounts as distributions of long-term capital gains:

Ivy Bond Fund	\$ —
Ivy Core Equity Fund	70,492,605
Ivy Cundill Global Value Fund	—
Ivy Dividend Opportunities Fund	36,886,296
Ivy Emerging Markets Equity Fund	—
Ivy European Opportunities Fund	—
Ivy Global Bond Fund	—
Ivy Global Equity Income Fund	5,102,907
Ivy Global Growth Fund	6,209,928
Ivy Global Income Allocation Fund	—
Ivy High Income Fund	102,305,760
Ivy International Core Equity Fund	187,457,946
Ivy Large Cap Growth Fund	110,292,150
Ivy Limited-Term Bond Fund	—
Ivy Managed International Opportunities Fund	—
Ivy Micro Cap Growth Fund	9,502,139
Ivy Mid Cap Growth Fund	430,721,374
Ivy Mid Cap Income Opportunities Fund	—
Ivy Money Market Fund	—
Ivy Municipal Bond Fund	—
Ivy Municipal High Income Fund	—
Ivy Small Cap Growth Fund	67,690,966
Ivy Small Cap Value Fund	25,999,493
Ivy Tax-Managed Equity Fund	1,436,939
Ivy Value Fund	16,969,244

Income from Ivy Municipal Bond Fund Ivy Municipal High Income Fund may be subject to the alternative minimum tax. Shareholders are advised to consult with their tax advisors concerning the tax treatment of dividends and distributions from all the Funds.

Internal Revenue Code regulations permit each qualifying Fund to elect to pass through a foreign tax credit to shareholders with respect to foreign taxes paid by the Fund. As of March 31, 2015, the Funds hereby designate the following as a foreign tax credit from the taxes paid on income derived from sources within foreign countries or possession of the United States:

	Foreign Tax Credit	Foreign Derived Income
Ivy Cundill Global Value Fund	\$ 567,091	\$ 5,497,528
Ivy Emerging Markets Equity Fund	1,380,916	12,593,229
Ivy European Opportunities Fund	444,936	4,827,347
Ivy Global Equity Income Fund	860,934	9,499,649
Ivy Global Growth Fund	868,360	9,134,777
Ivy Global Income Allocation Fund	1,503,849	26,853,788
Ivy International Core Equity Fund	4,758,478	65,489,381
Ivy Managed International Opportunities Fund	444,111	4,020,289

BOARD OF TRUSTEES AND OFFICERS

Ivy Funds

The Trust is governed by the Board of Trustees (the “Board”). A majority of the Board members are not “interested persons” as defined in Section 2(a)(19) of the 1940 Act and therefore qualify as Disinterested Trustees. The Board elects the officers who are responsible for administering the Funds’ day-to-day operations. The Waddell & Reed Fund Complex (“Fund Complex”) is comprised of the Ivy Family of Funds, the Ivy High Income Opportunities Fund (a closed-end fund) (“IVH”) and the Advisors Fund Complex, which is comprised of each of the funds in the Waddell & Reed Advisors Funds (20 funds), Ivy Funds Variable Insurance Portfolios (29 funds) and InvestEd Portfolios (3 funds). Jarold W. Boettcher, Joseph Harroz, Jr., Henry J. Herrmann and Eleanor B. Schwartz also serve as trustees of each of the funds in the Advisors Fund Complex. Each member of the Board is also a member of the Board of Trustees of IVH.

Joseph Harroz, Jr. serves as Independent Chair of the Trust’s Board and of the Board of Trustees of IVH.

A Trustee serves until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. The Board appoints officers and delegates to them the management of the day-to-day operations of each of the Funds, based on policies reviewed and approved by the Board, with general oversight by the Board.

The Statement of Additional Information (“SAI”) for the Trust includes additional information about the Trust’s Trustees. The SAI is available without charge, upon request by calling 1.800.777.6472. It is also available on the Ivy Funds website, www.ivyfund.com.

Disinterested Trustees

The following table provides information regarding each Disinterested Trustee.

Name, Address and Year of Birth	Position Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen	Other Directorships Held During Past 5 Years
Jarold W. Boettcher, CFA 6300 Lamar Avenue Overland Park, KS 66202 1940	Trustee	2008	President, Boettcher Enterprises, Inc. (agriculture products and services) (1979 to present), Boettcher Supply, Inc. (electrical and plumbing supplies distributor) (1979 to present), Boettcher Aerial, Inc. (Aerial Ag Applicator) (1979 to present).	87	Director, Guaranty State Bank & Trust Co. (financial services) (1981 to present); Director, Guaranty, Inc. (financial services) (1985 to present); Member, Kansas Board of Regents (2007 to 2011); Audit Committee Chairperson, Kansas Bioscience Authority (2009 to present); Member, Kansas Foundation for Medical Care (until 2011); Trustee, Advisors Fund Complex (52 portfolios overseen); Trustee, IVH.
James D. Gressett 6300 Lamar Avenue Overland Park, KS 66202 1950	Trustee	2008	Chief Executive Officer (CEO), CalPac Pizza LLC (2011 to present); CEO, CalPac Pizza II LLC (2012 to present); CEO, PacPizza LLC (Pizza Hut franchise) (2000 to present); Member/CEO, Southern Pac Pizza, LLC (2013); Partner, Century Bridge Partners (real estate investments) (2007 to present); Manager, Hartley Ranch Angus Beef, LLC (2013 to present); President, Penn Capital Corp. (1995 to present); Partner, Penn Capital Partners (1999 to present); Member/Secretary, The Metochoi Group LLC (1999 to present); Member/Chairman, Idea Homes LLC (Homebuilding & Development) (2013 to present).	35	Trustee, IVH.

Name, Address and Year of Birth	Position Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen	Other Directorships Held During Past 5 Years
Joseph Harroz, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1967	Trustee Independent Chairman	2008 2008	Dean of the College of Law, Vice President, University of Oklahoma (2010 to present); President of Graymark HealthCare (a NASDAQ listed company) (2008 to 2010); Adjunct Professor, University of Oklahoma Law School (1997 to 2010); Managing Member, Harroz Investments, LLC, (commercial enterprise investments) (1998 to present).	87	Director and Investor, Valliance Bank (2004 to present); Director, Foundation Healthcare, (formerly Graymark HealthCare) (2008 to present); Trustee, The Mewbourne Family Support Organization (2003 to present) (non-profit); Director/Trustee, Oklahoma Foundation for Excellence (non-profit) (2008 to present); Trustee of Advisors Fund Complex (52 portfolios overseen); Trustee, IVH.
Glendon E. Johnson, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1951	Trustee	2008	Of Counsel, Lee & Smith, PC (law firm) (1996 to present); Owner and Manager, Castle Valley Ranches, LLC (ranching) and Castle Valley Outdoors, LLC (hunting, fishing, outdoor recreation, lodging and corporate retreats) (1995 to present); Formerly, Partner, Kelly, Drye & Warren LLP (law firm, emphasis on finance, securities, mergers and acquisitions law) (1989-1996); Partner, Lane & Edson PC (law firm) (1987-1989).	35	Director, Thomas Foundation for Cancer Research (2005 to present); Trustee, IVH.
Eleanor B. Schwartz 6300 Lamar Avenue Overland Park, KS 66202 1937	Trustee	2008	Professor Emeritus, University of Missouri at Kansas City (2003 to present); Chancellor Emeritus, University of Missouri at Kansas City (1999 to present).	87	Trustee of Advisors Fund Complex (52 portfolios overseen); Trustee, IVH.
Michael G. Smith 6300 Lamar Avenue Overland Park, KS 66202 1944	Trustee	2008	Retired; formerly, with Merrill Lynch as Managing Director of Global Investor Client Strategy (1996-1998), Head of Regional Institutional Sales (1995-1996) and of U.S. Central Region (1986-1995, 1999).	35	Director, Executive Board, Cox Business School, Southern Methodist University (1998 to present); Director, Northwestern Mutual Funds (2003 to present); Director, d-bx Target Date Funds (2007 to April, 2015); Chairman, CTMG, Inc. (clinical testing) (2008 to present); Trustee, IVH.
Edward M. Tighe 6300 Lamar Avenue Overland Park, KS 66202 1942	Trustee	2008	Retired; formerly, CEO and Director of Asgard Holdings LLC (computer network and security services) (2002 to 2004); President, Citco Technology Management (1995-2000); CEO, Global Mutual Fund Services (1993-2000); Sr. Vice President, Templeton Global Investors (1988-1992).	35	Director, The Research Coast Principium Foundation, Inc. (non-profit) (2012 to present); Trustee, IVH.

Interested Trustees

Mr. Herrmann is “interested” by virtue of his current or former engagement as an officer of Waddell & Reed Financial, Inc. (“WDR”) or its wholly owned subsidiaries, including each Fund’s investment manager, IICO, each Fund’s principal underwriter, IFDI, and each Fund’s shareholder servicing and accounting services agent, Waddell & Reed Services Company, doing business as WI Services Company (“WISC”), as well as by virtue of his personal ownership in shares of WDR.

Name, Address and Year of Birth	Position(s) Held with the Trust	Trustee/Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen	Other Directorships Held
Henry J. Herrmann 6300 Lamar Avenue Overland Park, KS 66202 1942	President Trustee	2008 2008	Chairman, WDR (January 2010 to present); CEO, WDR (2005 to present); President, CEO and Chairman, IICO (2002 to present); President, CEO and Chairman, Waddell & Reed Investment Management Company (WRIMCO) (1993 to present); President and Trustee of each of the funds in the Fund Complex.	87	Director, WDR, IICO, WRIMCO, WISC, W&R Capital Management Group, Inc. and Waddell & Reed, Inc.; Director, Blue Cross Blue Shield of Kansas City.

Officers

The Board has appointed officers who are responsible for the day-to-day business decisions based on policies it has established. The officers serve at the pleasure of the Board. In addition to Mr. Herrmann, who is President, the Trust’s principal officers are:

Name, Address and Year of Birth	Position(s) Held with the Trust and Fund Complex	Officer of Trust Since	Officer of Fund Complex Since*	Principal Occupation(s) During Past 5 Years
Mara D. Herrington 6300 Lamar Avenue Overland Park, KS 66202 1964	Vice President Secretary	2008 2008	2006 2006	Vice President and Secretary of each of the funds in the Fund Complex (2006 to present); Vice President of WRIMCO and IICO (2006 to present).
Joseph W. Kauten 6300 Lamar Avenue Overland Park, KS 66202 1969	Vice President Treasurer Principal Accounting Officer Principal Financial Officer	2008 2008 2008 2008	2006 2006 2006 2007	Principal Financial Officer of each of the funds in the Fund Complex (2007 to present); Vice President, Treasurer and Principal Accounting Officer of each of the funds in the Fund Complex (2006 to present); Assistant Treasurer of each of the funds in the Fund Complex (2003 to 2006).
Scott J. Schneider 6300 Lamar Avenue Overland Park, KS 66202 1968	Vice President Chief Compliance Officer	2008 2008	2006 2004	Chief Compliance Officer (2004 to present) and Vice President (2006 to present) of each of the funds in the Fund Complex.
Wendy J. Hills 6300 Lamar Avenue Overland Park, KS 66202 1970	Vice President General Counsel Assistant Secretary	2014 2014 2014	2014 2014 2014	Senior Vice President and General Counsel of WDR, Waddell & Reed, WRIMCO and WISC (2014 to present); Senior Vice President and General Counsel of IICO (2014 to present); Vice President, General Counsel and Assistant Secretary for each of the funds in the Fund Complex (2014 to present).
Philip A. Shipp 6300 Lamar Avenue Overland Park, KS 66202 1969	Assistant Secretary	2012	2012	Assistant Secretary of each of the funds in the Fund Complex (2012 to present).

* This is the date when the officer first became an officer of one or more of the funds that are the predecessors to current funds within Ivy Funds (each, a predecessor fund) (if applicable).

ANNUAL PRIVACY NOTICE

Ivy Funds

The following privacy notice is issued by Ivy Funds (the “Funds”), Ivy Investment Management Company (“IICO”) and Ivy Funds Distributor, Inc. (“IFDI”).

Information Collected

We collect nonpublic personal information about you from your account application and other forms that you may deliver to us, and from your transactions with us and our affiliates. This is information that regulators consider necessary for the proper servicing of your account. In order to effect your transactions and service your account properly, we may disclose all of the information that we collect, as described above, to firms that assist us in servicing your account, such as our transfer agent.

Confidentiality of Information Collected

All records containing your nonpublic personal information are kept at our various service providers. These entities include IICO, IFDI and our transfer agent and administrative services provider. We require these affiliates, and any non-affiliated service providers, to protect the confidentiality of your information and to use the information only for the purposes for which disclosure to them is made. The Funds, IICO, IFDI and other service providers restrict access to nonpublic personal information about you to those employees who need to know that information to provide products and services to you and maintain physical, electronic, and procedural safeguards that comply with federal standards to maintain the security of your nonpublic personal information.

Disclosure of Information in Limited Circumstances

We do not disclose nonpublic personal information about present or former customers to nonaffiliated third parties, except as permitted or required by law. In connection with servicing your account, your nonpublic personal information may be shared among the entities named in this notice, their affiliates, and non-affiliates, including a transfer agent or other service companies. We will adhere to the policies and practices above for both current and former customers.

PROXY VOTING INFORMATION

Ivy Funds

Proxy Voting Guidelines

A description of the policies and procedures Ivy Funds uses to determine how to vote proxies relating to portfolio securities is available (i) without charge, upon request, by calling 1.800.777.6472 and (ii) on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

Proxy Voting Records

Information regarding how the Trust voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available on Form N-PX through the Ivy Funds' website at www.ivyfund.com and on the SEC's website at www.sec.gov.

QUARTERLY PORTFOLIO SCHEDULE INFORMATION

Ivy Funds

Portfolio holdings can be found on the Trust's website at www.ivyfund.com. Alternatively, a complete schedule of portfolio holdings of each Fund for the first and third quarters of each fiscal year is filed with the SEC and can be found on the Trust's Form N-Q. These holdings may be viewed in the following ways:

- On the SEC's website at www.sec.gov.
- For review and copy at the SEC's Public Reference Room in Washington, DC. Information on the operations of the Public Reference Room may be obtained by calling 1.800.SEC.0330.

TO ALL TRADITIONAL IRA PLANHOLDERS:

Ivy Funds

As required by law, we are hereby providing notice to you that income tax may be withheld automatically from any distribution or withdrawal from a traditional IRA. A Fund is generally required to withhold taxes unless you make a written election not to have taxes withheld. The election may be made on the distribution/withdrawal form provided by Waddell & Reed, Inc. which can be obtained from your Waddell & Reed representative or by submitting Internal Revenue Service Form W-4P. Once made, an election can be revoked by providing written notice to Waddell & Reed, Inc. If you elect not to have tax withheld you may be required to make payments of estimated tax. Penalties may be imposed by the IRS if withholding and estimated tax payments are not adequate.

HOUSEHOLDING NOTICE

Ivy Funds

If you currently receive one copy of the shareholder reports and prospectus for your household (even if more than one person in your household owns shares of the Trust) and you would prefer to receive separate shareholder reports and prospectuses for each account holder living at your address, you can do either of the following:

Fax your request to 800.532.2749.

Write to us at the address listed on the back cover.

Please list each account for which you would like to receive separate shareholder reports and prospectus mailings. We will resume sending separate documents within 30 days of receiving your request.

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The Ivy Funds Family

Domestic Equity Funds

Ivy Core Equity Fund
Ivy Dividend Opportunities Fund
Ivy Large Cap Growth Fund
Ivy Micro Cap Growth Fund
Ivy Mid Cap Growth Fund
Ivy Mid Cap Income Opportunities Fund
Ivy Small Cap Growth Fund
Ivy Small Cap Value Fund
Ivy Tax-Managed Equity Fund
Ivy Value Fund

Global/International Funds

Ivy Cundill Global Value Fund
Ivy Emerging Markets Equity Fund
Ivy Emerging Markets Local Currency Debt Fund
Ivy European Opportunities Fund
Ivy Global Equity Income Fund
Ivy Global Growth Fund¹
¹(formerly known as Ivy International Growth Fund)
Ivy Global Income Allocation Fund
Ivy International Core Equity Fund
Ivy Managed International Opportunities Fund

Speciality Funds

Ivy Asset Strategy Fund
Ivy Balanced Fund
Ivy Energy Fund
Ivy Global Natural Resources Fund
Ivy Global Real Estate Fund
Ivy Global Risk-Managed Real Estate Fund
Ivy Real Estate Securities Fund
Ivy Science and Technology Fund

Fixed Income Funds

Ivy Bond Fund
Ivy Global Bond Fund
Ivy High Income Fund
Ivy Limited-Term Bond Fund
Ivy Money Market Fund
Ivy Municipal Bond Fund
Ivy Municipal High Income Fund

1.800.777.6472

Visit us online at www.ivyfund.com

The Ivy Funds are managed by Ivy Investment Management Company and distributed by its subsidiary, Ivy Funds Distributor, Inc.

Investors should consider the investment objectives, risks, charges and expenses of a fund carefully before investing. For a prospectus containing this and other information for the Ivy Funds, call your financial advisor or visit us online at www.ivyfund.com. Please read the prospectus, or summary prospectus, carefully before investing.

ANN-IVYFUNDS (3-15)