



Annual Report

SEPTEMBER 30, 2018

IVY FUNDS

	Ticker							
	Class A	Class B	Class C	Class E	Class I	Class N	Class R	Class Y
Ivy Apollo Multi-Asset Income Fund	IMAAX		IMACX		IMAIX	IMURX		IMAYX
Ivy Apollo Strategic Income Fund	IAPOX		ICPOX		IIPOX	IRPOX		IYPOX
Ivy California Municipal High Income Fund	IMHAX		IMHCX		IMHIX			IMHYX
Ivy Cash Management Fund	IAAXX	IABXX	IACXX					
Ivy Corporate Bond Fund	IBJAX	IBJBX	IBJCX	IBJEX	IBJIX	IBJNX	IBJRX	IBJYX
Ivy Crossover Credit Fund	ICKAX			ICKEX	ICKIX	ICKNX	ICKRX	ICKYX
Ivy Government Securities Fund	IGJAX	IGJBX	IGJCX	IGJEX	IGJIX	IGJNX	IGJRX	IGJYX
Ivy IG International Small Cap Fund	IVJAX		IVJCX		IVJIX	IVJRX		IVJYX
Ivy Pictet Emerging Markets Local Currency Debt Fund	IECAX		IECCX	IECEX	IECIX	IMMCX	IECRX	IECYX
Ivy Pictet Targeted Return Bond Fund	IRBAX		IRBCX		IRBIX	IRBRX		IRBYX
Ivy PineBridge High Yield Fund	IPNAX				IPNIX	IPNNX	IPNRX	

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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.



Philip J. Sanders, CFA

SEPTEMBER 30, 2018 (UNAUDITED)

Dear Shareholder,

While most of the fiscal year remained relatively calm, market volatility returned toward the end of the period. As 2018 progressed, trade disputes, geopolitical tensions and uncertain global growth rates provided a choppy ride for investors.

Economic growth is poised to finish 2018 on solid footing, as global inflation remains somewhat tepid. We believe global gross domestic product (GDP) is on track for a 3.7% growth rate in 2018, taking into account some minor downward revisions to our forecast because of isolated emerging market weakness.

The U.S. continues to provide a strong foundation across the global economic stage. Domestic capital expenditures (capex) are solid and small business confidence is at an all-time high. In addition, consumer spending has held up well despite higher gasoline prices. We believe the U.S. growth rate will average around 3% annualized in 2018.

The deterioration in eurozone economic data seems to be waning following an agreement between the U.S. and European Union (EU) to discuss a reduction in tariffs on industrial goods. Brexit negotiations between the U.K. and EU continue to be choppy, which has caused some delays in anticipated capex spending for the eurozone. While we believe the two parties will come to a resolution for the U.K.'s exit from the EU prior to the March 2019 deadline, the ongoing negotiations may cause lingering economic tumult until a deal can be reached. We expect eurozone GDP growth at an average annual rate around 2% in 2018.

While the European Central Bank reduced the amount of its asset purchases during the third quarter, it has committed to keeping rates low for an extended period. We think that decision is likely to continue to support the EU economy. In addition, the Bank of England recently raised interest rates and we think it is set to continue increasing rates gradually, barring any unforeseen Brexit issues.

Much attention of late has been focused on emerging markets. China's economy has been weaker because of a combination of deleveraging and the institution of new pollution controls on select industries. These factors, coupled with concerns about an escalating trade war with the U.S., have pushed China's policymakers to begin to ease policy. We believe recent announcements of tax cuts and increased infrastructure spending in addition to lower interest rates will stabilize China's economy during the fourth quarter.

Currency crises plagued Turkey and Argentina throughout the third quarter, which sent tremors through other emerging market economies, including South Africa. Emerging markets continue to face headwinds from longer term fundamental outlook; the international trade uncertainty and a strong U.S. dollar. We believe emerging

markets continue to offer a sound longer term fundamental outlook; however, market volatility is likely to persist until there is more clarity surrounding potential risks.

Overall, expanding valuations and corporate earnings growth have been key drivers in the equity markets. We believe continued earnings growth will need to carry more of the burden going forward. We see potential catalysts for growth in several areas and industries and our team continues to seek investment opportunities around the globe.

We remain attuned to a range of risks investors may face in the current environment, and believe it is important to stay focused on the fundamentals and merits of individual market sectors, industries and companies when making investment decisions. Those fundamentals historically have tended to outweigh external factors such as government policies and regulations. While those can affect every business and investor, we think the innovation and management skill within individual companies ultimately drive long-term stock prices.

Economic Snapshot

	9/30/2018	9/30/2017
S&P 500 Index	2,913.98	2,519.36
MSCI EAFE Index	1,973.60	1,973.81
10-Year Treasury Yield	3.05%	2.33%
U.S. unemployment rate	3.7%	4.2%
30-year fixed mortgage rate	4.72%	3.83%
Oil price per barrel	\$ 73.25	\$ 51.67

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,

Philip J. Sanders, 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.

(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, exchange fees and account 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 September 30, 2018.

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 shares, if your Fund account balance

is below \$650 on the Friday prior to the last full 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), exchange fees or account 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 5 to the Financial Statements for further information.

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	
Ivy Apollo Multi-Asset Income Fund							
Class A	\$1,000	\$1,026.70	\$ 6.18	\$1,000	\$ 1,018.99	\$ 6.16	1.21%
Class C	\$1,000	\$ 1,023.10	\$ 9.81	\$1,000	\$ 1,015.35	\$ 9.77	1.94%
Class I	\$1,000	\$1,028.30	\$4.46	\$1,000	\$1,020.64	\$4.45	0.88% ⁽³⁾
Class N	\$1,000	\$1,029.00	\$3.96	\$1,000	\$ 1,021.18	\$3.94	0.78% ⁽³⁾
Class Y	\$1,000	\$1,026.00	\$5.88	\$1,000	\$ 1,019.23	\$5.86	1.17%

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 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	
Ivy Apollo Strategic Income Fund							
Class A	\$1,000	\$ 1,014.30	\$ 5.84	\$1,000	\$ 1,019.30	\$ 5.86	1.15%
Class C	\$1,000	\$ 1,011.90	\$ 9.36	\$1,000	\$ 1,015.79	\$ 9.37	1.85%
Class I	\$1,000	\$ 1,017.00	\$ 4.03	\$1,000	\$ 1,021.11	\$ 4.04	0.79% ⁽³⁾
Class N	\$1,000	\$ 1,017.50	\$ 3.73	\$1,000	\$ 1,021.39	\$ 3.74	0.73% ⁽³⁾
Class Y	\$1,000	\$ 1,014.60	\$ 5.54	\$1,000	\$ 1,019.55	\$ 5.55	1.10%
Ivy California Municipal High Income Fund							
Class A	\$1,000	\$1,006.50	\$ 4.01	\$1,000	\$ 1,021.05	\$ 4.04	0.80%
Class C	\$1,000	\$ 1,001.00	\$ 8.60	\$1,000	\$ 1,016.43	\$ 8.67	1.72%
Class I	\$1,000	\$1,007.50	\$ 3.01	\$1,000	\$1,022.06	\$ 3.03	0.60%
Class Y	\$1,000	\$1,006.40	\$ 4.11	\$1,000	\$ 1,021.00	\$ 4.14	0.80%
Ivy Cash Management Fund							
Class A	\$1,000	\$ 1,007.10	\$ 3.91	\$1,000	\$ 1,021.17	\$ 3.94	0.78%
Class B**	\$1,000	\$1,002.50	\$ 8.41	\$1,000	\$ 1,016.67	\$ 8.47	1.68%
Class C	\$1,000	\$1,002.20	\$ 8.61	\$1,000	\$ 1,016.43	\$ 8.67	1.72%
Ivy Corporate Bond Fund							
Class A	\$1,000	\$ 1,001.00	\$ 5.20	\$1,000	\$ 1,019.87	\$ 5.25	1.04%
Class B**	\$1,000	\$ 993.90	\$12.16	\$1,000	\$ 1,012.86	\$12.28	2.44%
Class C	\$1,000	\$ 997.40	\$ 9.29	\$1,000	\$ 1,015.81	\$ 9.37	1.85%
Class E	\$1,000	\$1,000.70	\$ 4.00	\$1,000	\$ 1,021.06	\$ 4.04	0.80%
Class I	\$1,000	\$1,002.70	\$ 3.50	\$1,000	\$ 1,021.55	\$ 3.54	0.70%
Class N	\$1,000	\$1,002.00	\$ 2.70	\$1,000	\$1,022.34	\$ 2.73	0.54%
Class R	\$1,000	\$ 999.90	\$ 6.40	\$1,000	\$ 1,018.62	\$ 6.46	1.29%
Class Y	\$1,000	\$ 1,001.30	\$ 4.70	\$1,000	\$1,020.33	\$ 4.75	0.94%
Ivy Crossover Credit Fund							
Class A	\$1,000	\$ 994.30	\$ 4.49	\$1,000	\$1,020.55	\$ 4.55	0.90%
Class E	\$1,000	\$ 994.40	\$ 4.49	\$1,000	\$1,020.56	\$ 4.55	0.90%
Class I	\$1,000	\$ 995.50	\$ 3.29	\$1,000	\$ 1,021.81	\$ 3.34	0.65%
Class N	\$1,000	\$ 995.50	\$ 3.29	\$1,000	\$ 1,021.81	\$ 3.34	0.65%
Class R	\$1,000	\$ 991.50	\$ 7.27	\$1,000	\$ 1,017.79	\$ 7.36	1.45%
Class Y	\$1,000	\$ 994.30	\$ 4.49	\$1,000	\$1,020.55	\$ 4.55	0.90%
Ivy Government Securities Fund							
Class A	\$1,000	\$ 994.40	\$ 4.99	\$1,000	\$1,020.05	\$ 5.05	1.00%
Class B**	\$1,000	\$ 990.20	\$ 9.25	\$1,000	\$ 1,015.74	\$ 9.37	1.86%
Class C	\$1,000	\$ 990.30	\$ 8.96	\$1,000	\$ 1,016.03	\$ 9.07	1.80%
Class E	\$1,000	\$ 995.10	\$ 4.29	\$1,000	\$1,020.80	\$ 4.34	0.85%
Class I	\$1,000	\$ 995.50	\$ 3.59	\$1,000	\$ 1,021.46	\$ 3.64	0.72%
Class N	\$1,000	\$ 996.40	\$ 2.99	\$1,000	\$ 1,022.11	\$ 3.03	0.59%
Class R	\$1,000	\$ 992.70	\$ 6.68	\$1,000	\$ 1,018.33	\$ 6.76	1.34%
Class Y	\$1,000	\$ 994.20	\$ 4.99	\$1,000	\$1,020.05	\$ 5.05	1.00%

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 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	
Ivy IG International Small Cap Fund							
Class A	\$1,000	\$ 954.20	\$ 7.13	\$1,000	\$ 1,017.79	\$7.36	1.45%
Class C	\$1,000	\$ 950.70	\$10.83	\$1,000	\$ 1,013.95	\$11.18	2.22%
Class I	\$1,000	\$ 956.60	\$ 5.38	\$1,000	\$ 1,019.59	\$5.55	1.09% ⁽³⁾
Class N	\$1,000	\$ 955.80	\$ 5.38	\$1,000	\$ 1,019.53	\$5.55	1.11% ⁽³⁾
Class Y	\$1,000	\$ 954.20	\$ 7.13	\$1,000	\$ 1,017.79	\$7.36	1.45%
Ivy Pictet Emerging Markets Local Currency Debt Fund							
Class A	\$1,000	\$ 863.30	\$ 5.50	\$1,000	\$ 1,019.12	\$5.96	1.19%
Class C	\$1,000	\$ 861.10	\$ 8.56	\$1,000	\$ 1,015.87	\$9.27	1.84%
Class E	\$1,000	\$ 865.40	\$ 4.94	\$1,000	\$ 1,019.78	\$5.35	1.05%
Class I	\$1,000	\$ 866.10	\$ 3.73	\$1,000	\$ 1,021.05	\$4.04	0.80%
Class N	\$1,000	\$ 866.10	\$ 3.73	\$1,000	\$ 1,021.05	\$4.04	0.80%
Class R	\$1,000	\$ 862.60	\$ 6.98	\$1,000	\$ 1,017.54	\$7.57	1.50%
Class Y	\$1,000	\$ 864.30	\$ 5.59	\$1,000	\$ 1,019.10	\$6.06	1.19%
Ivy Pictet Targeted Return Bond Fund							
Class A	\$1,000	\$1,003.00	\$ 6.21	\$1,000	\$ 1,018.87	\$6.26	1.24%
Class C	\$1,000	\$1,000.00	\$ 9.60	\$1,000	\$ 1,015.46	\$9.67	1.92%
Class I	\$1,000	\$1,005.00	\$ 5.01	\$1,000	\$1,020.05	\$5.05	1.00%
Class N	\$1,000	\$1,006.00	\$ 4.41	\$1,000	\$1,020.70	\$4.45	0.87%
Class Y	\$1,000	\$1,003.00	\$ 6.21	\$1,000	\$ 1,018.87	\$6.26	1.24%
Ivy PineBridge High Yield Fund							
Class A	\$1,000	\$ 1,029.70	\$ 5.07	\$1,000	\$1,020.05	\$5.05	1.00%
Class I	\$1,000	\$1,032.20	\$ 3.66	\$1,000	\$ 1,021.46	\$3.64	0.72%
Class N	\$1,000	\$ 1,030.10	\$ 3.65	\$1,000	\$ 1,021.46	\$3.64	0.72%
Class R	\$1,000	\$ 1,027.10	\$ 7.40	\$1,000	\$ 1,017.76	\$7.36	1.46%

*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 183 days in the six-month period ended September 30, 2018, 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.

(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) Reflects the lower expense limit which went into effect July 31, 2018.

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

(UNAUDITED)

The Ivy Apollo Multi-Asset Income Fund is managed overall by Ivy Investment Management Company, which has retained Apollo Credit Management, LLC, to sub-advise the total return strategy sleeve and LaSalle Investment Management Securities, LLC, to sub-advise the global real estate strategy sleeve. Below, two portfolio managers of the Fund, Philip J. Sanders, CFA, and Mark G. Beischel, CFA, discuss positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Sanders and Mr. Beischel have managed the Fund since inception. Mr. Sanders has 30 years of industry experience and Mr. Beischel has 25 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended September 30, 2018

Ivy Apollo Multi-Asset Income Fund (Class A shares at net asset value)	4.41%
Ivy Apollo Multi-Asset Income Fund (Class A shares including sales charges)	-1.58%
Benchmark(s) and/or Lipper Category	
50% FTSE All-World High Dividend Yield Index/50% ICE BofAML U.S. High Yield Index (generally reflects the performance of equities, excluding REITs, with higher-than-average dividend yields; and the performance of securities representing the high-yield sector of the bond market)	2.81%
50% MSCI World High Dividend Yield Index/50% ICE BofAML U.S. High Yield Index (generally reflects the performance of equities, excluding REITs, with higher-than-average dividend yields that are both sustainable and persistent; and the performance of securities representing the high-yield sector of the bond market)	3.92%
FTSE All-World High Dividend Yield Index (generally reflects the performance of equities, excluding REITs, with higher-than-average dividend yields)	2.53%
MSCI World High Dividend Yield Index (generally reflects the performance of equities, excluding REITs, with higher-than-average dividend yields that are both sustainable and persistent)	4.80%
ICE BofAML U.S. High Yield Index (generally reflects the performance of securities representing the high-yield sector of the bond market)	2.94%
Lipper Mixed-Asset Target Allocation Moderate Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	5.13%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. Effective August 2018, the Fund's blended benchmark index changed to 50% FTSE All-World High Dividend Yield Index + 50% ICE BofAML U.S. High Yield Index from the prior blended benchmark of 50% MSCI World High Dividend Yield Index + 50% ICE BofAML U.S. High Yield Index. Ivy Investment Management Company believes the new blended benchmark is more reflective of the types of securities in which the Fund invests than the prior blended benchmark. The prior blended benchmark is shown for comparison purposes. The performance discussion below is at net asset value (NAV).

Improving global climate

As a whole, global equities were higher for the fiscal year with the U.S. and Japan the standout performers as the fiscal year ended. Emerging market equities underperformed during calendar year 2018 after starting the fiscal year with strong performance. As global liquidity waned late in the fiscal year, weaker emerging market countries such as Turkey, Argentina, Brazil and Mexico faced wider credit spreads, weaker currencies and lower stock prices.

Volatility in the global fixed income markets also increased late in the fiscal year. Political concerns emerged from elections in Italy, where a new government brought the European Union's (EU) sustainability back into the spotlight. The new Italian government's targeted budget deficit was more aggressive than the market expected, resulting in euro weakening and Italian government rates increasing. Against this backdrop, the U.S. dollar showed ongoing strength during the fiscal year against other world currencies.

The Trump administration's policies regarding international trade and investment emerged as an important source of downside risk for the global economy during the fiscal year. As the year came to a close, the administration completed a revamp of the North American Free Trade Agreement (NAFTA) with Mexico and Canada — named the U.S.-Mexico-Canada Agreement (USMCA) — but trade talks with China did not make similar progress. Tariffs and the potential for an extended trade war between the U.S. and China emerged during the year and extended to other countries. Tariffs were in place on much of the world's steel and aluminum shipments to the U.S. along with a range of other consumer and industrial goods. Most of the affected nations have imposed their own tariffs on a broad range of U.S. goods. It is unclear what the end-game strategy is for the Trump administration related to trade, which added to market uncertainty.

Portfolio strategy

The Fund finished the fiscal year with a positive return that was higher than its blended benchmark index, but was less than the positive return of its peer group average.

The Fund's performance relative to its benchmark was helped by its relatively shorter effective duration and large weighting in credit, as the Trump administration's pro-growth policies on fiscal stimulus, tax reforms and reduced regulations allowed improvement in U.S. economic conditions that led to tightening in credit spreads. The main contributor was the Fund's high-yield exposure in the CCC- rated bond market and to the leveraged loan market. The CCC sector within the high yield market continued to benefit from a lack of issuance as well as exposure to U.S. rather than international growth. The leveraged loan market continued to benefit from rising short-term interest rates, based on the U.S. Federal Reserve (Fed) steadily increasing rates.

The Fed increased the fed funds rate late in the fiscal year to a range of 2.00-2.25%, a 0.25-percentage point increase from the prior level, marking the third rate increase in calendar year 2018 and the eighth increase since December 2015. The Fed indicated it had determined that it had met its dual mandate, with the unemployment rate at 3.9% as the fiscal year ended and core inflation approaching the Fed's 2% target.

For the fiscal year, the global equity income sleeve of the Fund also was a key driver of relative performance. The equities contribution primarily came from holdings in the consumer discretionary, consumer staples and energy sectors.

We again maintained a low duration in the Fund and have built what we believe to be plenty of liquidity. We believe shorter duration will enable the portfolio to continue to focus on higher yielding corporate bonds, while greater liquidity will allow us to be more responsive to changing market environments.

Outlook

We think President Donald Trump will use the USMCA framework for future trade negotiations with the EU and Japan. Further negotiations with China do not appear to be imminent. Emerging-market growth is now under pressure from the combination of a stronger U.S. dollar and higher oil prices. The outlook is further clouded by the aggressive U.S. trade policy. These headwinds could result in sales and earnings pressure for multinational and emerging market companies. In Europe, political uncertainty has increased largely due the region's inability to effectively manage and absorb a large population of refugees.

We think the Fed will continue gradual rate hikes and expect another increase during 2018. The market also is anticipating two or three increases in 2019.

We believe the shape of the yield curve will remain flat, with the Fed continuing its approach of increased short-term rates and measured inflationary pressures on the long end of the curve. The long end of the curve also is being affected by what we consider "push" forces (increased Treasury supply from budget deficits, Fed balance sheet normalization and increased term premiums) and "pull" forces (global trade concerns, a strong U.S. dollar, political concerns and emerging market volatility).

U.S. labor markets continue to grow and beat expectations, which has kept consumer confidence near cycle highs and supported strong spending growth.

We believe trade will continue to be a risk factor going forward. There is the potential for more tariffs followed by retaliatory actions that might impact companies' capital investment plans. In our view, a negative feedback loop could affect the markets and ultimately consumer confidence.

We also believe U.S. economic growth is likely to continue to benefit from lower individual and corporate tax rates, vigorous private-sector hiring and consumer spending.

We think pressure on U.S. interest rates is likely to continue as a growing Treasury supply from budget deficits and the normalization of the Fed balance sheet combine to put some term premium back into the yield curve.

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.

Although asset allocation among different sleeves and asset categories generally tends to limit risk and exposure to any one sleeve, the risk remains that the allocation of assets may skew toward a sleeve that performs poorly relative to the Fund's other sleeves, or to the market as a whole, which would result in the Fund performing poorly.

While Ivy Investment Management Company (IICO) monitors the investments of Apollo Credit Management (Apollo) and LaSalle Investment Management Securities (LaSalle) in addition to the overall management of the Fund, including rebalancing the Fund's target allocations, IICO, Apollo and LaSalle make investment decisions for their investment sleeves independently from one another. It is possible that the investment styles used by IICO, Apollo or LaSalle will not always complement each other, which could adversely affect the performance of the Fund. As a result, the Fund's aggregate exposure to a particular industry or group of industries, or to a single issuer, could unintentionally be larger or smaller than intended.

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.

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 NAV of the Fund 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.

Loans (including loan assignments, loan participations and other loan instruments) carry other risks, including the risk of insolvency of the lending bank or other intermediary. Loans 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 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 the Ivy Apollo Multi-Asset Income Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	47.6%
Real Estate	9.1%
Financials	7.3%
Energy	6.4%
Health Care	6.0%
Industrials	4.8%
Consumer Staples	4.3%
Materials	3.4%
Information Technology	2.4%
Utilities	1.6%
Consumer Discretionary	1.5%
Telecommunication Services	0.8%
Bonds	47.4%
Corporate Debt Securities	27.5%
Loans	16.4%
Mortgage-Backed Securities	1.9%
Asset-Backed Securities	1.6%
Other Government Securities	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	5.0%

Country Weightings

North America	60.2%
United States	56.4%
Canada	3.7%
Other North America	0.1%
Europe	26.5%
France	6.3%
United Kingdom	6.3%
Netherlands	4.0%
Other Europe	9.9%
Pacific Basin	7.2%
Bahamas/Caribbean	0.7%
Other	0.4%
South America	0.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	5.0%

Top 10 Equity Holdings

Company	Country	Sector	Industry
Total S.A.	France	Energy	Integrated Oil & Gas
Pfizer, Inc.	United States	Health Care	Pharmaceuticals
Johnson & Johnson	United States	Health Care	Pharmaceuticals
Royal Dutch Shell plc, Class A	Netherlands	Energy	Integrated Oil & Gas
iShares iBoxx \$ High Yield Corporate Bond ETF	United States	Financials	Registered Investment Companies
Nestle S.A., Registered Shares	Switzerland	Consumer Staples	Packaged Foods & Meats
Intel Corp.	United States	Information Technology	Semiconductors
Lockheed Martin Corp.	United States	Industrials	Aerospace & Defense
Unilever N.V., Certicaaten Van Aandelen	United Kingdom	Consumer Staples	Personal Products
CNOOC Ltd.	China	Energy	Oil & Gas Exploration & Production

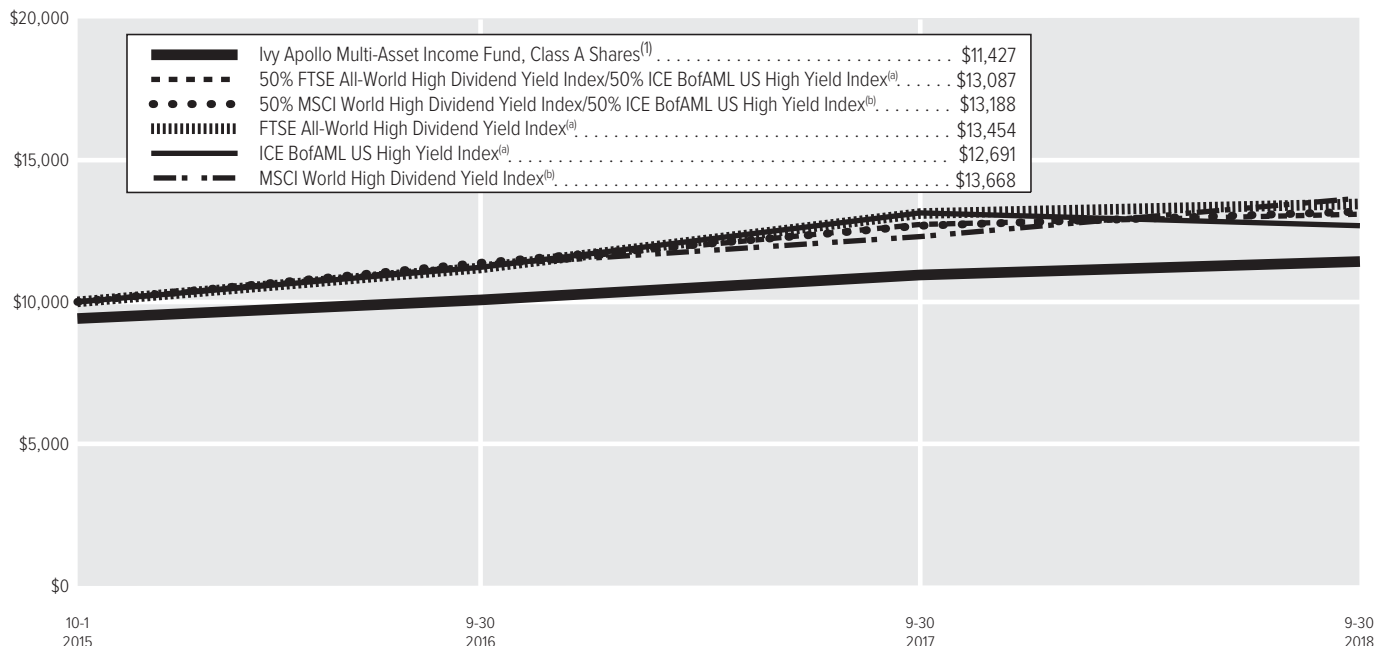
See your advisor or www.ivyinvestments.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+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 APOLLO MULTI-ASSET INCOME FUND

(UNAUDITED)



(a) Effective April 2018, the Fund's blended benchmark changed from 50% MSCI World High Dividend Yield Index + 50% ICE BofAML US High Yield Index to 50% FTSE All-World High Dividend Yield Index + 50% ICE BofAML US High Yield Index and the MSCI World High Dividend Yield Index component changed to the FTSE All-World High Dividend Yield Index. IICO believes that the blended benchmark of 50% FTSE All-World High Dividend Yield Index + 50% ICE BofAML US High Yield Index and the FTSE All-World High Dividend Yield Index component are more reflective of the types of securities in which the Fund invests than the prior blended benchmark and benchmark component.

(b) The prior blended benchmark and benchmark components are shown for comparison purposes.

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 I	Class N	Class Y
1-year period ended 9-30-18	-1.58%	3.64%	4.71%	4.96%	4.45%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	4.55%	5.87%	6.95%	7.10%	6.69%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 1% (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class N 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) 10-1-15 for Class A shares, 10-1-15 for Class C shares, 10-1-15 for Class I shares, 10-1-15 for Class N shares and 10-1-15 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 APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary			Oil & Gas Exploration & Production – 0.9%			Electrical Components & Equipment – 1.2%		
Apparel Retail – 0.0%			CNOOC Ltd. (B)	2,432	\$ 4,815	Eaton Corp.	44	\$ 3,830
True Religion Apparel, Inc. (A)(C)	1	\$ 61				Schneider Electric S.A. (B)	30	2,442
								6,272
Apparel, Accessories & Luxury Goods – 0.4%			Total Energy – 6.1%		31,026	Industrial Conglomerates – 0.5%		
LVMH Moët Hennessy – Louis			Financials			Koninklijke Philips Electronics N.V.,		
Vuitton (B)	6	2,115	Asset Management & Custody Banks – 0.4%			Ordinary Shares (B)	53	2,420
			3i Group plc (B)	167	2,050			
Broadcasting – 0.0%						Total Industrials – 4.8%		24,575
Cumulus Media, Inc., Class A (A)	—*	6	Diversified Banks – 4.1%			Information Technology		
			Banco Santander S.A. (B)	445	2,240	Semiconductor Equipment – 0.3%		
Cable & Satellite – 0.0%			Bank of Montreal (B)	48	3,995	Tokyo Electron Ltd. (B)	13	1,818
Altice N.V., Class A (A)(B)	9	24	BNP Paribas S.A. (B)	70	4,255			
Altice USA, Inc., Class A	4	68	BOC Hong Kong (Holdings) Ltd. (B)	798	3,793	Semiconductors – 1.4%		
		92	Bumiputra-Commerce Holdings			Cypress Semiconductor Corp.	117	1,689
Education Services – 0.0%			Berhad (B)	1,471	2,136	Intel Corp.	122	5,785
Laureate Education, Inc.,			DBS Group Holdings Ltd. (B)	125	2,382			7,474
Class A (A)	11	165	ING Groep N.V., Certicaaten Van			Systems Software – 0.7%		
			Aandelen (B)	172	2,240	Microsoft Corp.	32	3,618
Footwear – 0.4%					21,041			
ANTA Sports Products Ltd. (B)	376	1,803	Other Diversified Financial Services – 0.4%			Total Information Technology – 2.4%		12,910
			JPMorgan Chase & Co.	19	2,128	Materials		
Home Improvement Retail – 0.4%						Construction Materials – 0.4%		
Home Depot, Inc. (The)	10	2,086	Property & Casualty Insurance – 0.8%			CRH plc (B)	59	1,923
			Tokio Marine Holdings, Inc. (B)	84	4,158			
Homebuilding – 0.3%						Diversified Chemicals – 1.3%		
Bellway plc (B)	45	1,766	Regional Banks – 0.4%			Dow Chemical Co. (The)	50	3,188
			KeyCorp	109	2,162	Eastman Chemical Co.	35	3,381
Total Consumer Discretionary – 1.5%		8,094						6,569
Consumer Staples			Total Financials – 6.1%		31,539	Diversified Metals & Mining – 0.8%		
Hypermarkets & Super Centers – 0.8%			Health Care			Anglo American plc (B)	84	1,890
Wal-Mart Stores, Inc.	41	3,895	Health Care Equipment – 0.6%			Rio Tinto plc (B)	48	2,417
			Medtronic plc	33	3,231			4,307
Packaged Foods & Meats – 1.5%						Paper Packaging – 0.4%		
Marine Harvest ASA (B)	95	2,192	Pharmaceuticals – 5.4%			WestRock Co.	39	2,079
Nestle S.A., Registered Shares (B)	70	5,825	AbbVie, Inc.	33	3,101			
		8,017	AstraZeneca plc (B)	61	4,726	Paper Products – 0.5%		
Personal Products – 1.0%			Concordia International Corp. (A)(B)	7	139	Mondi plc (B)	83	2,274
Unilever N.V., Certicaaten Van			Johnson & Johnson	56	7,738			
Aandelen (B)	93	5,182	Pfizer, Inc.	176	7,743	Total Materials – 3.4%		17,152
			Roche Holdings AG,			Real Estate		
Tobacco – 1.0%			Genusscheine (B)	19	4,642	Diversified Real Estate Activities – 1.3%		
British American Tobacco plc (B)	63	2,924			28,089	Heiwa Real Estate Co. Ltd. (B)	34	592
Philip Morris International, Inc.	25	2,069	Total Health Care – 6.0%		31,320	MCUBS MidCity Investment		
		4,993	Industrials			Corp. (B)	—*	65
Total Consumer Staples – 4.3%		22,087	Aerospace & Defense – 2.2%			Mitsubishi Estate Co. Ltd. (B)	101	1,709
Energy			BAE Systems plc (B)	281	2,308	Mitsui Fudosan Co. Ltd. (B)	28	294
Integrated Oil & Gas – 5.2%			Lockheed Martin Corp.	16	5,441	Mitsui Fudosan Co. Ltd. (B)	63	1,486
Chevron Corp.	32	3,859	United Technologies Corp.	25	3,534	Sun Hung Kai Properties Ltd. (B)	155	2,250
PJSC LUKOIL ADR (B)	31	2,351			11,283	UOL Group Ltd. (B)	12	60
Royal Dutch Shell plc, Class A (B)(D)	215	7,386	Building Products – 0.3%					6,456
Suncor Energy, Inc.	115	4,436	Compagnie de Saint-Gobain (B)	38	1,651	Diversified REITs – 0.8%		
Total S.A. (B)	126	8,179				Cominar Real Estate Investment		
		26,211	Construction & Engineering – 0.6%			Trust (B)	12	113
			Vinci (B)	31	2,949			

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	INVESTMENT FUNDS	Shares	Value
Diversified REITs (Continued)			Residential REITs – 1.2%			Registered Investment Companies – 1.2%		
Dexus (B)	57	\$ 437	American Campus Communities, Inc.	20	\$ 815	iShares iBoxx \$ High Yield Corporate Bond ETF (D)	72	\$6,260
Gecina (B)	2	383	American Homes 4 Rent (B)	18	399	TOTAL INVESTMENT FUNDS – 1.2%		\$6,260
GPT Group (B)	75	284	AvalonBay Communities, Inc.	11	1,912	(Cost: \$6,166)		
H&R Real Estate Investment Trust (B)	13	201	AvalonBay Communities, Inc.	8	176	PREFERRED STOCKS		
Kenedix Office Investment Corp. (B)	—*	217	Camden Property Trust	5	507	Consumer Staples		
Land Securities Group plc (B)	79	914	Equity Lifestyle Properties, Inc.	4	401	Agricultural Products – 0.0%		
Lar Espana Real Estate Socimi S.A. (B)	24	241	Equity Residential	26	1,716	Pinnacle Agriculture Enterprises LLC (A)(C)(E)	233	130
Merlin Properties Socimi S.A. (B)	37	502	Irish Residential Properties REIT plc (B)	152	260	Total Consumer Staples – 0.0%		130
Mirvac Group (B)	163	284	Northview Apartment REIT (B)	3	60	Energy		
VEREIT, Inc.	63	456			6,246	Oil & Gas Exploration & Production – 0.3%		
		4,032				Targa Resources Corp., 9.500% (E)	1	1,375
Health Care REITs – 0.5%			Retail REITs – 1.7%			Total Energy – 0.3%		1,375
HCP, Inc.	37	983	Brixmor Property Group, Inc.	31	540	TOTAL PREFERRED STOCKS – 0.3%		\$ 1,505
Welltower, Inc.	27	1,768	Choice Properties REIT (B)	16	153	(Cost: \$1,521)		
		2,751	Link (The) (B)	116	1,137	ASSET-BACKED SECURITIES	Principal	
Hotel & Resort REITs – 0.4%			Mapletree Commercial Trust (B)	19	23	Adams Mill CLO Ltd., Series 2014-1A, Class D1 (3-Month U.S. LIBOR plus 350 bps), 5.839%, 7–15–26 (F)(G)	\$ 600	599
Ichigo Hotel Investment Corp. (B)	—*	90	National Retail Properties, Inc.	12	519	Anchorage Capital CLO Ltd., Series 2014-4RA, Class E (3-Month U.S. LIBOR plus 550 bps), 7.839%, 1–28–31 (F)(G)	250	243
Park Hotels & Resorts, Inc.	25	809	Regency Centers Corp.	17	1,086	Anchorage Credit Funding Ltd., Series 2015-2A, Class D, 7.300%, 1–25–31 (F)	600	593
RLJ Lodging Trust	42	928	Scentre Group (B)	322	925	Antares CLO 2017-1A Ltd. (3-Month U.S. LIBOR plus 775 bps), 10.098%, 7–20–28 (G)	650	648
		1,827	Simon Property Group, Inc.	15	2,630	Assurant CLO II Ltd., Series 2018-1A, Class E (3-Month U.S. LIBOR plus 560 bps), 7.948%, 4–20–31 (F)(G)	250	244
Industrial REITs – 0.3%			Taubman Centers, Inc.	10	615	Benefit Street Partners CLO Ltd., Series 2018-14A, Class E (3-Month U.S. LIBOR plus 535 bps), 7.698%, 4–20–31 (F)(G)	250	240
Duke Realty Corp.	21	586	Unibail-Rodamco-Westfield (B)	6	1,283	Crown Point CLO Ltd., Series 2018-5A, Class E (3-Month U.S. LIBOR plus 565 bps), 7.976%, 7–17–28 (F)(G)	250	246
First Industrial Realty Trust, Inc.	9	273			8,911	Fortress Credit BSL Ltd., Series 2018-1A, Class ER (3-Month U.S. LIBOR plus 645 bps), 8.783%, 7–23–31 (F)(G)	750	727
ProLogis, Inc.	7	473	Specialized REITs – 1.0%			Golub Capital Partners CLO Ltd., Series 2013-17A, Class CR (3-Month U.S. LIBOR plus 350 bps), 5.835%, 10–25–30 (F)(G)	1,000	986
Safestore Holdings plc (B)	10	68	Big Yellow Group plc (B)	21	245			
SEGRO plc (B)	41	337	Chartwell Retirement Residences (B)	6	73			
Warehouses De Pauw Comm VA (B)	1	112	Crown Castle International Corp.	7	724			
		1,849	CubeSmart	32	910			
Office REITs – 1.1%			Digital Realty Trust, Inc.	5	597			
alstria office AG (B)	17	259	Equinix, Inc.	—*	160			
Boston Properties, Inc.	10	1,176	Public Storage, Inc.	8	1,641			
Daiwa Office Investment Corp. (B)	—*	326	QTS Realty Trust, Inc., Class A	7	278			
Derwent London plc (B)	11	412	VICI Properties, Inc.	26	558			
Global One Corp. (B)	—*	226			5,186			
Great Portland Estates plc (B)	57	498	Total Real Estate – 9.1%		47,516			
Hibernia REIT plc (B)	76	125	Telecommunication Services					
HRPT Properties Trust (A)	4	138	Integrated Telecommunication Services – 0.7%					
Nippon Building Fund, Inc. (B)	—*	416	Orange S.A. (B)	224	3,579			
ORIX JREIT, Inc. (B)	—*	339	Wireless Telecommunication Service – 0.1%					
SL Green Realty Corp.	8	742	SBA Communications Corp. (A)	2	398			
Vornado Realty Trust	18	1,333						
		5,990	Total Telecommunication Services – 0.8%		3,977			
Real Estate Operating Companies – 0.8%			Utilities					
Capital & Counties Properties plc (B)	61	213	Electric Utilities – 1.2%					
First Capital Realty, Inc. (B)	8	117	ENEL S.p.A. (B)	656	3,361			
Hang Lung Properties Ltd. (B)	330	644	Exelon Corp.	57	2,480			
Hufvudstaden AB (B)	14	218			5,841			
Keihanshin Building Co. Ltd. (B)	40	301	Water Utilities – 0.4%					
LEG Immobilien AG (B)	4	438	Guangdong Investment Ltd. (B)	1,186	2,105			
PSP Swiss Property Ltd., Registered Shares (B)	2	185						
Swire Properties Ltd. (B)	213	807	Total Utilities – 1.6%		7,946			
Vonovia SE (B)	20	973	TOTAL COMMON STOCKS – 46.1%		\$238,142			
Wihlborgs Fastigheter AB (B)	31	372	(Cost: \$209,201)					
		4,268						

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

ASSET-BACKED SECURITIES

(Continued)

Principal Value

Greenwood Park CLO Ltd., Series 2018-1A, Class E (3-Month U.S. LIBOR plus 495 bps), 6.975%, 4-15-31 (F)(G)	\$ 250	\$ 237
Greywolf CLO Ltd., Series 2015-1A, Class DR (3-Month U.S. LIBOR plus 585 bps), 8.185%, 1-27-31 (F)(G)	250	247
KKR Financial CLO Ltd., Series 22A, Class E (3-Month U.S. LIBOR plus 600 bps), 8.336%, 7-20-31 (F)(G)	250	250
TIAA Churchill Middle Market CLO I Ltd., Series 2016-1A, Class D (3-Month U.S. LIBOR plus 540 bps), 7.748%, 10-20-28 (F)(G)	750	749
Trinitas CLO Ltd., Series 2018-8A, Class E (3-Month U.S. LIBOR plus 590 bps), 8.251%, 7-20-31 (F)(G)	500	496
ZAIS CLO 7 Ltd., Series 2017-2A, Class E (3-Month U.S. LIBOR plus 715 bps), 9.489%, 4-15-30 (F)(G)	500	499
TOTAL ASSET-BACKED SECURITIES – 1.6%		\$7,004

(Cost: \$6,980)

CORPORATE DEBT SECURITIES

Consumer Discretionary

Advertising – 0.1%		
Acosta, Inc., 7.750%, 10-1-22 (F)	977	332
Outfront Media Capital LLC and Outfront Media Capital Corp., 5.625%, 2-15-24	300	303
		<u>635</u>

Apparel Retail – 0.0%		
PrestigeBidCo GmbH, 6.250%, 12-15-23 (H)	EUR 100	124

Apparel, Accessories & Luxury Goods – 0.0%		
Samsonite Finco S.a.r.l., 3.500%, 5-15-26 (H)	100	113

Automotive Retail – 0.1%		
Allison Transmission, Inc., 5.000%, 10-1-24 (F)	\$ 136	136
Penske Automotive Group, Inc., 5.500%, 5-15-26	136	132
Sonic Automotive, Inc., 5.000%, 5-15-23	623	587
		<u>855</u>

Broadcasting – 1.1%		
Clear Channel International B.V., 8.750%, 12-15-20 (F)	125	129
Clear Channel Outdoor Holdings, Inc., 6.500%, 11-15-22	1,634	1,667

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Broadcasting (Continued)		
Clear Channel Worldwide Holdings, Inc., Series A, 7.625%, 3-15-20	\$ 227	\$ 228
Clear Channel Worldwide Holdings, Inc., Series B, 7.625%, 3-15-20	984	986
Gray Television, Inc., 5.875%, 7-15-26 (F)	300	297
Nexstar Escrow Corp., 5.625%, 8-1-24 (F)	53	52
Radio One, Inc. (GTD by TV One LLC), 7.375%, 4-15-22 (F)	567	561
Sirius XM Radio, Inc.: 4.625%, 5-15-23 (F)	442	437
6.000%, 7-15-24 (F)	1,400	1,453
		<u>5,810</u>

Cable & Satellite – 4.6%		
Altice Financing S.A.: 6.625%, 2-15-23 (F)	987	994
7.500%, 5-15-26 (F)	1,600	1,560
Altice France S.A.: 7.375%, 5-1-26 (F)	1,922	1,924
8.125%, 2-1-27 (F)	1,400	1,439
Altice S.A.: 7.250%, 5-15-22 (F)(H)	EUR 250	289
7.750%, 5-15-22 (D)(F)	\$ 2,575	2,506
6.250%, 2-15-25 (F)(H)	EUR 250	271
7.625%, 2-15-25 (D)(F)	\$ 600	544

Altice U.S. Finance I Corp.: 5.375%, 7-15-23 (F)	446	451
5.500%, 5-15-26 (F)	600	598

Altice U.S. Finance II Corp., 7.750%, 7-15-25 (F)	395	421
Block Communications, Inc., 6.875%, 2-15-25 (F)	111	114

CCO Holdings LLC and CCO Holdings Capital Corp.: 5.500%, 5-1-26 (F)	2,516	2,488
5.000%, 2-1-28 (F)	726	682

CSC Holdings LLC, 5.375%, 2-1-28 (F)	880	840
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DISH DBS Corp.: 6.750%, 6-1-21	211	215
5.875%, 7-15-22	1,000	976
5.875%, 11-15-24	335	301
7.750%, 7-1-26	498	472

Intelsat Jackson Holdings S.A.: 9.500%, 9-30-22 (F)	926	1,080
8.000%, 2-15-24 (F)	1,098	1,155

Neptune Finco Corp.: 10.125%, 1-15-23 (F)	775	848
6.625%, 10-15-25 (F)	225	237
10.875%, 10-15-25 (F)	522	606

Telenet Finance Luxembourg Notes S.a.r.l., 5.500%, 3-1-28 (F)	200	189
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Virgin Media Receivables Financing Notes I DAC, 5.500%, 9-15-24 (H)	GBP 200	261
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CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Cable & Satellite (Continued)		
VTR Finance B.V., 6.875%, 1-15-24 (F)	\$ 1,965	\$ 1,999
		<u>23,460</u>

Casinos & Gaming – 0.8%		
CPUK Finance Ltd., 4.250%, 8-28-22 (F)(H)	GBP 100	130

Everi Payments, Inc., 7.500%, 12-15-25 (F)	\$ 731	738
Gateway Casinos & Entertainment Ltd., 8.250%, 3-1-24 (F)	446	469

Golden Nugget, Inc.: 6.750%, 10-15-24 (F)	1,045	1,060
8.750%, 10-1-25 (F)	206	216

LHMC Finco S.a.r.l., 6.250%, 12-20-23 (F)(H)	EUR 100	120
LHMC Finco S.a.r.l. (3-Month U.S. LIBOR plus 575 bps): 5.750%, 12-20-23 (G)(H)	200	237

Stars Group Holdings B.V. and Stars Group (U.S.) Co-Borrower LLC, 7.000%, 7-15-26 (F)	\$ 431	445
Studio City Finance Ltd., 8.500%, 12-1-20 (F)	345	346

Wynn Macau Ltd.: 4.875%, 10-1-24 (F)	200	188
5.500%, 10-1-27 (F)	409	383
		<u>4,332</u>

Education Services – 0.6%		
Laureate Education, Inc., 8.250%, 5-1-25 (F)	2,931	3,138

Homebuilding – 0.2%		
K Hovnanian Enterprises, Inc., 10.000%, 7-15-22 (F)	915	911

Hotels, Resorts & Cruise Lines – 0.1%		
Boyne USA, Inc., 7.250%, 5-1-25 (F)	426	450

eDreams ODIGEO S.A., 5.500%, 9-1-23 (F)(H)	EUR 100	117
Radisson Hotel Holdings AB, 6.875%, 7-15-23 (F)(H)	139	175

VOC Escrow Ltd., 5.000%, 2-15-28 (F)	\$ 113	109
		<u>851</u>

Internet & Direct Marketing Retail – 0.0%		
Argos Merger Sub, Inc., 7.125%, 3-15-23 (F)	121	87

Leisure Facilities – 0.1%		
Cedar Fair L.P., Magnum Management Corp., Canada's Wonderland Co. and Millennium Operations LLC, 5.375%, 4-15-27	356	346

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

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CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Movies & Entertainment – 0.1%		
WMG Acquisition Corp., 5.500%, 4–15–26 (F)	\$ 330	\$ 328
Publishing – 0.1%		
E.W. Scripps Co., 5.125%, 5–15–25 (F)	61	59
MDC Partners, Inc., 6.500%, 5–1–24 (F)	793	702
		<u>761</u>
Restaurants – 0.2%		
1011778 B.C. Unlimited Liability Co. and New Red Finance, Inc.: 4.250%, 5–15–24 (F)	295	280
5.000%, 10–15–25 (F)	831	796
		<u>1,076</u>
Specialized Consumer Services – 0.1%		
Klesia Prevoyance, 5.375%, 12–8–26 (H)	EUR 200	248
Nielsen Co. (Luxembourg) S.a.r.l. (The), 5.500%, 10–1–21 (F)	\$ 400	402
Nielsen Finance LLC and Nielsen Finance Co., 5.000%, 4–15–22 (F)	148	144
		<u>794</u>
Specialty Stores – 0.4%		
Arch Merger Sub, Inc., 8.500%, 9–15–25 (F)	1,289	1,210
Cumberland Farms, Inc., 6.750%, 5–1–25 (F)	328	336
Party City Holdings, Inc., 6.625%, 8–1–26 (F)	320	324
		<u>1,870</u>
Total Consumer Discretionary – 8.6%		45,491
Consumer Staples		
Food Distributors – 0.2%		
Performance Food Group, Inc., 5.500%, 6–1–24 (F)	472	467
U.S. Foods, Inc., 5.875%, 6–15–24 (F)	529	532
		<u>999</u>
Packaged Foods & Meats – 1.4%		
JBS Investments GmbH (GTD by Hungary Holdings Kft), 7.250%, 4–3–24	200	203
JBS Investments GmbH (GTD by JBS S.A. and JBS Hungary Holdings Kft.), 7.750%, 10–28–20 (F)	400	407
JBS USA LLC and JBS USA Finance, Inc.: 5.875%, 7–15–24 (F)	741	730
5.750%, 6–15–25 (F)	749	729

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Packaged Foods & Meats (Continued)		
JBS USA Lux S.A. and JBS USA Finance, Inc., 6.750%, 2–15–28 (F)	\$ 765	\$ 760
Pilgrim's Pride Corp.: 5.750%, 3–15–25 (F)	153	147
5.875%, 9–30–27 (F)	939	888
Post Holdings, Inc.: 5.500%, 3–1–25 (F)	143	142
5.000%, 8–15–26 (F)	220	208
5.750%, 3–1–27 (F)	973	956
Sigma Holdco B.V.: 5.750%, 5–15–26 (H)	EUR 100	109
7.875%, 5–15–26 (F)	\$ 338	317
Simmons Foods, Inc.: 7.750%, 1–15–24 (F)	211	219
5.750%, 11–1–24 (F)	1,826	1,399
		<u>7,214</u>
Soft Drinks – 0.0%		
Sunshine Mid B.V., 6.500%, 5–15–26 (H)	EUR 200	227
Total Consumer Staples – 1.6%		8,440
Energy		
Integrated Oil & Gas – 0.0%		
Ecopetrol S.A., 5.375%, 6–26–26	\$ 200	206
Sasol Financing USA LLC (GTD by Sasol Ltd.), 5.875%, 3–27–24	200	204
		<u>410</u>
Oil & Gas Drilling – 0.4%		
Enasco plc, 7.750%, 2–1–26	443	440
KCA Deutag UK Finance plc, 7.250%, 5–15–21 (F)	1,000	942
Offshore Drilling Holding S.A., 8.375%, 9–20–20 (F)(I)	1,400	735
		<u>2,117</u>
Oil & Gas Equipment & Services – 0.4%		
Brand Energy & Infrastructure Services, Inc., 8.500%, 7–15–25 (F)	567	583
McDermott Escrow 1, Inc. and McDermott Escrow 2, Inc., 10.625%, 5–1–24 (F)	299	320
SESI LLC, 7.125%, 12–15–21	191	194
Weatherford International Ltd., 5.880%, 5.875%, 7–1–21	735	692
		<u>1,789</u>
Oil & Gas Exploration & Production – 1.5%		
Bellatrix Exploration Ltd., 8.500%, 5–15–20 (D)(F)	515	315

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Oil & Gas Exploration & Production (Continued)		
Chesapeake Energy Corp.: 7.000%, 10–1–24	\$ 742	\$ 742
8.000%, 1–15–25 (D)	67	69
China Oil and Gas Group Ltd., 4.625%, 4–20–22	200	190
Crownrock L.P., 5.625%, 10–15–25 (F)	1,255	1,228
Endeavor Energy Resources L.P.: 5.500%, 1–30–26 (F)	438	438
5.750%, 1–30–28 (F)	319	319
Extraction Oil & Gas, Inc., 5.625%, 2–1–26 (F)	601	532
Laredo Petroleum, Inc., 6.250%, 3–15–23	142	142
Moss Creek Resources Holdings, Inc., 7.500%, 1–15–26 (F)	1,391	1,389
Northern Oil and Gas, Inc. (9.500% Cash or 10.500% PIK), 9.500%, 5–15–23 (J)	500	528
Parsley Energy LLC and Parsley Finance Corp., 5.625%, 10–15–27 (F)	293	294
Sanchez Energy Corp., 7.250%, 2–15–23 (D)(F)	111	109
Seven Generations Energy Ltd.: 6.750%, 5–1–23 (F)	971	1,000
5.375%, 9–30–25 (F)	419	408
Ultra Resources, Inc., 6.875%, 4–15–22 (F)	240	114
Whiting Petroleum Corp., 6.625%, 1–15–26	222	231
		<u>8,048</u>
Oil & Gas Refining & Marketing – 0.7%		
Callon Petroleum Co. (GTD by Callon Petroleum Operating Co.): 6.125%, 10–1–24	671	683
6.375%, 7–1–26	64	65
Comstock Escrow Corp., 9.750%, 8–15–26 (F)	1,809	1,805
EP Energy LLC and Everest Acquisition Finance, Inc., 7.750%, 5–15–26 (F)	323	331
QEP Resources, Inc., 5.625%, 3–1–26	269	257
		<u>3,141</u>
Total Energy – 3.0%		15,505
Financials		
Asset Management & Custody Banks – 0.1%		
Westwood Group Holdings Ltd., 5.375%, 10–19–23	200	194
Consumer Finance – 0.3%		
CURO Group Holdings Corp., 8.250%, 9–1–25 (F)	533	513
Quicken Loans, Inc., 5.750%, 5–1–25 (F)	900	899
		<u>1,412</u>

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

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CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Diversified Banks – 0.1%		
Banco de Credito del Peru, 6.125%, 4–24–27 (F)	\$ 200	\$ 211
China Construction Bank Corp., 3.875%, 5–13–25	200	198
Malayan Banking Berhad, 3.905%, 10–29–26	200	197
Turkiye Garanti Bankasi A.S., 4.750%, 10–17–19	200	195
		<u>801</u>
Financial Exchanges & Data – 0.4%		
Financial & Risk U.S. Holdings, Inc.: 6.250%, 5–15–26 (F)	423	423
8.250%, 11–15–26 (F)	1,395	1,386
		<u>1,809</u>
Insurance Brokers – 0.3%		
NFP Corp., 6.875%, 7–15–25 (F)	1,747	1,747
Investment Banking & Brokerage – 0.0%		
VHF Parent LLC, 6.750%, 6–15–22 (F)	142	147
Life & Health Insurance – 0.2%		
Aegon N.V., 4.000%, 4–25–44 (H)	EUR 200	246
MetLife, Inc., 10.750%, 8–1–39	\$ 452	694
RL Finance Bonds No. 2 plc, 6.125%, 11–30–43 (H)	GBP 100	142
		<u>1,082</u>
Multi-Line Insurance – 0.1%		
ASR Nederland N.V., 5.125%, 9–29–45 (H)	EUR 100	128
Humanis Prevoyance, 5.750%, 10–22–25 (H)	300	351
		<u>479</u>
Multi-Sector Holdings – 0.0%		
Scottish Widows Ltd., 5.500%, 6–16–23 (H)	GBP 100	142
Other Diversified Financial Services – 0.9%		
Balboa Merger Sub, Inc., 11.375%, 12–1–21 (F)	\$ 1,162	1,241
Icahn Enterprises L.P. and Icahn Enterprises Finance Corp.: 6.250%, 2–1–22	659	675
6.375%, 12–15–25	220	221
New Cotai LLC and New Cotai Capital Corp. (10.625% Cash or 10.625% PIK), 10.625%, 5–1–19 (F)(J)	2,438	2,389
		<u>4,526</u>
Property & Casualty Insurance – 1.1%		
Amwins Group, Inc., 7.750%, 7–1–26 (F)	525	546

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Property & Casualty Insurance (Continued)		
Esure Group plc, 6.750%, 12–19–24 (H)	GBP 1,350	\$ 1,965
Hub International Ltd., 7.000%, 5–1–26 (F)	\$ 1,071	1,072
Liberty Mutual Holding Co., Inc., 7.800%, 3–15–37 (F)	881	1,031
Mapfre S.A., 4.375%, 3–31–47 (H)	EUR 100	121
Novae Group plc (3-Month U.S. LIBOR plus 405 bps), 6.364%, 6–30–34 (E)(G)	\$ 400	399
USIS Merger Sub, Inc., 6.875%, 5–1–25 (F)	305	304
		<u>5,438</u>
Specialized Finance – 0.4%		
ADCB Finance Cayman Ltd., 4.000%, 3–29–23 (F)	200	198
Amigo Luxembourg S.A., 7.625%, 1–15–24 (F)(H)	GBP 100	130
Compass Group Diversified Holdings LLC, 8.000%, 5–1–26 (F)	\$ 434	447
Hadrian Merger Sub, Inc., 8.500%, 5–1–26 (F)	789	754
King Power Capital Ltd., 5.625%, 11–3–24	225	236
Tervita Escrow Corp., 7.625%, 12–1–21 (F)	215	222
TMX Finance LLC and TitleMax Finance Corp., 11.125%, 4–1–23 (F)	645	645
UPCB Finance IV Ltd.: 5.375%, 1–15–25 (F)	98	98
3.625%, 6–15–29 (H)	EUR 100	115
		<u>2,845</u>
Thriffs & Mortgage Finance – 0.1%		
Provident Funding Associates L.P. and PFG Finance Corp., 6.375%, 6–15–25 (F)	\$ 510	510
Total Financials – 4.0%		21,132
Health Care		
Health Care Facilities – 0.3%		
DaVita HealthCare Partners, Inc., 5.125%, 7–15–24	97	94
MPH Acquisition Holdings LLC, 7.125%, 6–1–24 (F)	371	386
Surgery Center Holdings, Inc., 8.875%, 4–15–21 (D)(F)	784	816
		<u>1,296</u>
Health Care Services – 0.1%		
AMN Healthcare, Inc., 5.125%, 10–1–24 (F)	259	251
Constantin Investissement 3 S.A.S., 5.375%, 4–15–25 (H)	EUR 200	230
		<u>481</u>

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Health Care Supplies – 0.3%		
Kinetic Concepts, Inc. and KCI USA, Inc., 12.500%, 11–1–21 (F)	\$ 108	\$ 119
Universal Hospital Services, Inc., 7.625%, 8–15–20	1,464	1,469
		<u>1,588</u>
Health Care Technology – 0.3%		
Verscend Holding Corp., 9.750%, 8–15–26 (F)	1,663	1,715
Life Sciences Tools & Services – 0.3%		
Avantor, Inc.: 6.000%, 10–1–24 (F)	357	362
9.000%, 10–1–25 (F)	944	974
		<u>1,336</u>
Pharmaceuticals – 0.6%		
Concordia Healthcare Corp., 8.000%, 9–6–24	72	70
HLF Financing S.a.r.l. LLC and Herbalife International, Inc., 7.250%, 8–15–26 (F)	149	151
Jaguar Holding Co. II and Pharmaceutical Product Development LLC, 6.375%, 8–1–23 (F)	322	324
Valeant Pharmaceuticals International, Inc.: 5.500%, 3–1–23 (F)	20	19
5.500%, 11–1–25 (F)	209	208
9.000%, 12–15–25 (F)	153	165
9.250%, 4–1–26 (F)	441	476
8.500%, 1–31–27 (F)	322	338
VPII Escrow Corp., 7.500%, 7–15–21 (F)	571	582
VRX Escrow Corp.: 5.875%, 5–15–23 (F)	326	316
6.125%, 4–15–25 (F)	291	277
		<u>2,926</u>
Total Health Care – 1.9%		9,342
Industrials		
Aerospace & Defense – 0.9%		
KLX, Inc., 5.875%, 12–1–22 (F)	1,430	1,477
TransDigm UK Holdings plc, 6.875%, 5–15–26 (F)	366	376
TransDigm, Inc. (GTD by TransDigm Group, Inc.): 6.000%, 7–15–22	897	911
6.500%, 7–15–24	1,047	1,073
6.500%, 5–15–25	200	204
6.375%, 6–15–26	202	204
		<u>4,245</u>
Building Products – 0.1%		
Summit Materials LLC and Summit Materials Finance Corp., 6.125%, 7–15–23	147	149

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

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CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Building Products (Continued)		
WESCO Distribution, Inc. (GTD by WESCO International, Inc.), 5.375%, 6-15-24	\$ 81	\$ 80
		<u>229</u>
Diversified Support Services – 0.1%		
Ahern Rentals, Inc., 7.375%, 5-15-23 (F)	665	655
Diamond (BC) B.V., 5.625%, 8-15-25 (H)	EUR 200	217
Ritchie Bros. Auctioneers, Inc., 5.375%, 1-15-25 (F)	\$ 102	102
United Rentals (North America), Inc. (GTD by United Rentals, Inc.), 5.875%, 9-15-26	133	136
		<u>1,110</u>
Environmental & Facilities Services – 0.3%		
GFL Environmental, Inc.:		
5.625%, 5-1-22 (F)	142	138
5.375%, 3-1-23 (F)	786	739
7.000%, 6-1-26 (F)	646	624
Waste Pro USA, Inc., 5.500%, 2-15-26 (F)		
	86	84
		<u>1,585</u>
Marine Ports & Services – 0.0%		
DP World Ltd., 4.848%, 9-26-28 (F)		
	200	198
Security & Alarm Services – 0.4%		
Prime Security Services Borrower LLC, 9.250%, 5-15-23 (F)		
	1,301	1,392
Verisure Midholding AB, 5.750%, 12-1-23 (H)	EUR 200	235
Verisure Midholding AB, 5.750%, 12-1-23 (F)(H)	100	118
		<u>1,745</u>
Total Industrials – 1.8%		9,112
Information Technology		
Application Software – 1.0%		
Infor (U.S.), Inc., 5.750%, 5-15-22 (H)		
	100	118
Infor Software Parent LLC and Infor Software Parent, Inc. (7.125% Cash or 7.875% PIK), 7.125%, 5-1-21 (F)(J)	\$ 275	278
Kronos Acquisition Holdings, Inc., 9.000%, 8-15-23 (F)	2,403	2,265
Orbcomm, Inc., 8.000%, 4-1-24 (F)	1,015	1,076
Riverbed Technology, Inc. and Project Homestake Merger Corp., 8.875%, 3-1-23 (F)	1,492	1,406
		<u>5,143</u>
Data Processing & Outsourced Services – 0.6%		
Alliance Data Systems Corp., 5.375%, 8-1-22 (F)		
	1,107	1,115

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Data Processing & Outsourced Services (Continued)		
Italics Merger Sub, Inc., 7.125%, 7-15-23 (F)		
	\$ 2,145	\$ 2,196
j2 Cloud Services LLC and j2 Global, Inc., 6.000%, 7-15-25 (F)	206	211
		<u>3,522</u>
IT Consulting & Other Services – 0.4%		
Cardtronics, Inc. and Cardtronics USA, Inc., 5.500%, 5-1-25 (F)		
	121	115
NCR Escrow Corp., 5.875%, 12-15-21	815	823
6.375%, 12-15-23	739	753
Pioneer Holding Corp., 9.000%, 11-1-22 (F)		
	641	662
		<u>2,353</u>
Total Information Technology – 2.0%		11,018
Materials		
Aluminum – 0.5%		
Constellium N.V.:		
5.750%, 5-15-24 (F)	1,000	994
6.625%, 3-1-25 (F)	816	826
5.875%, 2-15-26 (F)	391	383
Novelis Corp. (GTD by Novelis, Inc.): 6.250%, 8-15-24 (F)		
	335	342
5.875%, 9-30-26 (F)	118	115
		<u>2,660</u>
Commodity Chemicals – 0.2%		
CTC BondCo GmbH, 5.250%, 12-15-25 (H)		
	EUR 200	231
CTC BondCo GmbH, 5.250%, 12-15-25 (F)(H)	100	115
NOVA Chemicals Corp.: 4.875%, 6-1-24 (F)		
	\$ 508	489
5.250%, 6-1-27 (F)	203	189
		<u>1,024</u>
Construction Materials – 0.2%		
Hillman Group, Inc. (The), 6.375%, 7-15-22 (F)		
	1,120	1,008
Fertilizers & Agricultural Chemicals – 0.1%		
Pinnacle Operating Corp., 9.000%, 5-15-23 (F)		
	336	299
Metal & Glass Containers – 0.1%		
ARD Finance S.A. (7.125% Cash or 7.875% PIK), 7.125%, 9-15-23 (J)		
	200	203
ARD Securities Finance S.a.r.l. (8.750% Cash or 8.750% PIK), 8.750%, 1-31-23 (F)(J)	418	418
HudBay Minerals, Inc.: 7.250%, 1-15-23 (F)		
	65	67
7.625%, 1-15-25 (F)	98	101
		<u>789</u>

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Paper Packaging – 0.1%		
Flex Acquisition Co., Inc., 6.875%, 1-15-25 (F)		
	\$ 126	\$ 120
Reynolds Group Issuer, Inc., Reynolds Group Issuer LLC and Reynolds Group Issuer (Luxembourg) S.A., 5.125%, 7-15-23 (F)		
	500	497
		<u>617</u>
Paper Products – 0.2%		
American Greetings Corp., 8.750%, 4-15-25 (F)		
	1,299	1,234
Suzano Austria GmbH, 6.000%, 1-15-29 (F)	200	201
		<u>1,435</u>
Specialty Chemicals – 0.2%		
Ingevity Corp., 4.500%, 2-1-26 (F)		
	384	366
Kraton Polymers LLC and Kraton Polymers Capital Corp., 7.000%, 4-15-25 (F)		
	200	205
Valvoline Finco Two LLC, 5.500%, 7-15-24		
	350	351
		<u>922</u>
Total Materials – 1.6%		8,754
Real Estate		
Office REITs – 0.2%		
iStar Financial, Inc., Convertible, 6.500%, 7-1-21		
	375	383
iStar, Inc., Convertible, 3.125%, 9-15-22	514	500
		<u>883</u>
Retail REITs – 0.1%		
Link Finance (Cayman) 2009 Ltd., 2.875%, 7-21-26		
	200	183
		<u>1,066</u>
Total Real Estate – 0.3%		1,066
Telecommunication Services		
Alternative Carriers – 0.1%		
Consolidated Communications Finance II Co., 6.500%, 10-1-22 (D)		
	807	762
MTN (Mauritius) Investments Ltd., 4.755%, 11-11-24	200	181
		<u>943</u>
Integrated Telecommunication Services – 1.7%		
Frontier Communications Corp.: 6.875%, 1-15-25		
	860	523
11.000%, 9-15-25	1,409	1,098
8.500%, 4-1-26 (F)	550	520
GCI, Inc., 6.875%, 4-15-25		
	840	869
Olympus Merger Sub, Inc., 8.500%, 10-15-25 (F)	2,588	2,374

SCHEDULE OF INVESTMENTS

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CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Integrated Telecommunication Services (Continued)		
Sprint Corp.:		
7.250%, 9-15-21	\$ 936	\$ 989
7.875%, 9-15-23	649	699
7.125%, 6-15-24	500	519
7.625%, 3-1-26	336	356
Unitymedia GmbH,		
3.750%, 1-15-27 (H)	EUR 600	736
		<u>8,683</u>
Wireless Telecommunication Service – 0.3%		
Bharti Airtel Ltd.,		
4.375%, 6-10-25	\$ 200	185
Digicel Group Ltd.:		
8.250%, 9-30-20 (F)	200	153
7.125%, 4-1-22 (F)	211	138
Digicel Ltd.,		
6.750%, 3-1-23 (D)(F)	200	167
Sable International Finance Ltd.,		
6.875%, 8-1-22 (F)	610	637
Sprint Nextel Corp.,		
11.500%, 11-15-21	108	127
		<u>1,407</u>
Total Telecommunication Services – 2.1%		11,033
Utilities		
Electric Utilities – 0.0%		
Empresa Electrica Angamos S.A.,		
4.875%, 5-25-29	191	188
Israel Electric Corp. Ltd.,		
6.875%, 6-21-23 (F)	200	219
		<u>407</u>
Independent Power Producers & Energy Traders – 0.1%		
Pattern Energy Group, Inc.,		
Convertible,		
4.000%, 7-15-20	663	663
Renewable Electricity – 0.5%		
Abengoa Yield plc,		
7.000%, 11-15-19 (F)	2,221	2,266
		<u>3,336</u>
Total Utilities – 0.6%		3,336
TOTAL CORPORATE DEBT SECURITIES – 27.5%		\$144,229

(Cost: \$145,572)

MORTGAGE-BACKED SECURITIES

Commercial Mortgage-Backed Securities – 0.6%		
Barclays Commercial Mortgage Securities LLC, Commercial Mortgage Pass-Through Certificates, Series 2017-GLKS (1-Month U.S. LIBOR plus 370 bps),		
5.858%, 11-15-34 (F)(G)	700	701

MORTGAGE-BACKED SECURITIES

(Continued)

	Principal	Value
Commercial Mortgage-Backed Securities (Continued)		
Waldorf Astoria Boca Raton Trust, Commercial Mortgage Pass-Through Certificates, Series 2016-BOCA, Class F (1-Month U.S. LIBOR plus 550 bps),		
7.658%, 6-15-29 (F)(G)	\$ 2,500	\$2,506
		<u>3,207</u>
Other Mortgage-Backed Securities—1.3%		
ALM Loan Funding VII R-2 Ltd., Series 2013-7R2A, Class DR2 (3-Month U.S. LIBOR plus 600 bps),		
8.373%, 10-15-27 (F)(G)	700	698
ALM Loan Funding XIX LLC, Series 2015-16A, Class D (3-Month U.S. LIBOR plus 510 bps),		
7.440%, 7-15-27 (F)(G)	250	249
Ashford Hospitality Trust, Series 2018-ASHF, Class F (1-Month U.S. LIBOR plus 410 bps),		
6.258%, 4-15-35 (F)(G)	600	602
Consumer Loan Underlying Bond Credit Trust, Series 2017-P1, Class C (Mortgage spread to 3-year U.S. Treasury index),		
5.020%, 9-15-23 (F)(G)	300	299
Highbridge Loan Management Ltd., Series 2014-4A, Class DR (3-Month U.S. LIBOR plus 555 bps),		
7.889%, 1-28-30 (F)(G)	250	244
Marlette Funding Trust, Series 2017-2A, Class C, 4.580%, 7-15-24 (F)	750	752
Northwoods Capital XIV Ltd. and Northwoods Capital XIV LLC, Series 2014-14A, Class D (3-Month U.S. LIBOR plus 395 bps),		
6.288%, 11-12-25 (F)(G)	1,200	1,199
Northwoods Capital XIV Ltd. and Northwoods Capital XIV LLC, Series 2014A, Class E (3-Month U.S. LIBOR plus 535 bps),		
7.688%, 11-12-25 (F)(G)	300	299
PNMAC GMSR Issuer Trust, Series 2018-GT1 (1-Month U.S. LIBOR plus 285 bps),		
5.066%, 2-25-23 (F)(G)	2,100	2,124
		<u>6,466</u>
TOTAL MORTGAGE-BACKED SECURITIES – 1.9%		\$9,673
(Cost: \$9,631)		
OTHER GOVERNMENT SECURITIES (K)		
Luxembourg – 0.0%		
Amigo Luxembourg S.A.,		
7.625%, 1-15-24 (H)	GBP 100	130
TOTAL OTHER GOVERNMENT SECURITIES – 0.0%		\$ 130
(Cost: \$130)		

LOANS (G)

	Principal	Value
Consumer Discretionary		
Advertising – 0.2%		
Advantage Sales & Marketing, Inc. (ICE LIBOR plus 325 bps),		
5.492%, 7-25-21 (C)	\$ 391	\$ 360
Advantage Sales & Marketing, Inc. (ICE LIBOR plus 650 bps),		
8.742%, 7-25-22	375	314
		<u>674</u>
Apparel Retail – 0.3%		
J. Crew Group, Inc. (ICE LIBOR plus 322 bps):		
5.450%, 3-5-21	114	104
5.462%, 3-5-21	82	74
5.606%, 3-5-21	301	274
Talbots, Inc. (The) (ICE LIBOR plus 450 bps),		
6.742%, 3-19-20	766	750
Talbots, Inc. (The) (ICE LIBOR plus 850 bps),		
10.742%, 3-19-21	275	266
TRLG Intermediate Holdings LLC, 10.000%, 10-27-22	133	129
		<u>1,597</u>
Auto Parts & Equipment – 0.1%		
Rough Country LLC (ICE LIBOR plus 375 bps),		
5.826%, 5-25-23 (C)	249	249
Automotive Retail – 0.2%		
Apro LLC (ICE LIBOR plus 400 bps),		
6.200%, 8-8-24	250	251
Caliber Collision Centers, Inc. (ICE LIBOR plus 300 bps),		
5.242%, 2-1-24	279	281
		<u>532</u>
Broadcasting – 0.2%		
MLN U.S. Holdco LLC:		
0.000%, 7-13-25 (L)	318	321
0.000%, 7-13-26 (L)	212	209
Univision Communications, Inc. (ICE LIBOR plus 275 bps),		
4.992%, 3-15-24	390	379
		<u>909</u>
Cable & Satellite – 0.2%		
Charter Communications Operating LLC (ICE LIBOR plus 200 bps),		
4.250%, 4-30-25	248	248
CSC Holdings LLC (ICE LIBOR plus 225 bps),		
4.408%, 7-17-25	281	281
Eircom Finco S.a.r.l. (3-Month EURIBOR plus 325 bps),		
3.250%, 4-18-24 (H)	EUR 250	292
Liberty Cablevision of Puerto Rico LLC (ICE LIBOR plus 350 bps),		
5.839%, 1-7-22	\$ 16	16
		<u>837</u>

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value
Casinos & Gaming – 0.3%			Restaurants – 0.2%			Consumer Staples		
Cosmopolitan of Las Vegas (The)			NPC International, Inc. (ICE LIBOR			Food Distributors – 0.1%		
(1-Month U.S. LIBOR plus 525 bps),			plus 350 bps),			Dairyland USA Corp. (ICE LIBOR plus		
7.409%, 11–9–19	\$ 800	\$ 808	5.576%, 4–20–24	\$ 140	\$ 140	400 bps),		
GVC Holdings plc (ICE LIBOR plus			NPC International, Inc. (ICE LIBOR			6.080%, 6–22–22	\$ 146	\$ 146
250 bps),			plus 750 bps),			Dole Food Co., Inc. (ICE LIBOR plus		
4.742%, 3–16–24	249	250	9.576%, 4–18–25	572	576	300 bps):		
Penn National Gaming, Inc.,						4.883%, 4–6–24	90	90
0.000%, 8–15–25 (L)	250	251			716	4.992%, 4–6–24	180	180
		1,309	Specialized Consumer Services – 0.5%			5.136%, 4–6–24	6	6
Department Stores – 0.0%			Asurion LLC (ICE LIBOR plus			7.000%, 4–6–24	2	2
J.C. Penney Co., Inc. (ICE LIBOR plus			275 bps),					424
425 bps),			5.242%, 11–3–23	5	5	Household Products – 0.0%		
6.567%, 6–23–23	228	209	Asurion LLC (ICE LIBOR plus			Wellness Merger Sub, Inc. (ICE LIBOR		
			300 bps),			plus 475 bps),		
Education Services – 0.4%			5.242%, 11–3–24	419	422	7.029%, 6–30–24	183	183
BARBRI, Inc. (ICE LIBOR plus 425 bps),			Asurion LLC (ICE LIBOR plus					
6.354%, 12–1–23	228	228	600 bps),			Packaged Foods & Meats – 0.2%		
Laureate Education, Inc. (ICE LIBOR			8.742%, 8–4–25	666	684	Post Holdings, Inc. (ICE LIBOR plus		
plus 350 bps),			Eagle Bidco Ltd. (ICE LIBOR plus			225 bps),		
5.742%, 4–26–24	1,419	1,424	475 bps),			4.220%, 5–24–24	280	280
		1,652	5.473%, 5–6–22 (H)	GBP 500	649	Sigma U.S. Corp. (ICE LIBOR plus		
Hotels, Resorts & Cruise Lines – 0.7%			frontdoor, Inc. (ICE LIBOR plus			300 bps),		
CIF Times Square Mezz 1 LLC and			250 bps),			5.114%, 7–2–25	250	250
CPTS Hotel Lessee Mezz 1 LLC			4.750%, 8–16–25	\$ 250	251			530
(1-Month U.S. LIBOR plus 600 bps),			Mister Car Wash Holdings, Inc. (ICE			Personal Products – 0.1%		
8.133%, 5–9–20	77	77	LIBOR plus 400 bps),			Douglas Holding AG (3-Month		
Hotel del Coronado (1–Month U.S.			5.544%, 8–21–21	492	494	EURIBOR plus 325 bps),		
LIBOR plus 500 bps),					2,505	3.250%, 8–13–22 (H)	EUR 313	278
7.159%, 8–9–19	150	150	Specialty Stores – 0.6%					
Hudson Delano Senior Mezz LLC			Academy Sports + Outdoors (ICE			Soft Drinks – 0.1%		
(1-Month U.S. LIBOR plus 650 bps),			LIBOR plus 400 bps),			Refresco Group N.V. (3-Month		
8.659%, 2–9–20	1,700	1,714	6.104%, 7–2–22	38	29	EURIBOR plus 325 bps),		
International Cruise & Excursion			Jo-Ann Stores, Inc. (ICE LIBOR plus			3.250%, 1–22–25 (H)	300	345
Gallery, Inc. (ICE LIBOR plus			500 bps),					
525 bps),			7.509%, 10–16–23	532	534	Tobacco – 0.0%		
7.492%, 6–8–25	200	196	Jo-Ann Stores, Inc. (ICE LIBOR plus			Prestige Brands, Inc. (ICE LIBOR plus		
Times Square JV LLC and CPTS Hotel			925 bps),			200 bps),		
Lessee LLC (1–Month U.S. LIBOR			11.432%, 5–21–24	923	912	4.242%, 1–26–24	\$ 176	176
plus 600 bps),			PETCO Animal Supplies, Inc. (ICE					
8.133%, 5–9–20	642	642	LIBOR plus 325 bps),			Total Consumer Staples – 0.5%		1,936
Travel Leaders Group LLC (ICE LIBOR			5.592%, 1–26–23	249	202	Energy		
plus 400 bps),			PetSmart, Inc.,			Coal & Consumable Fuels – 0.3%		
6.158%, 1–25–24	573	579	0.000%, 3–11–22 (L)	21	18	Foresight Energy LLC (ICE LIBOR plus		
		3,358	PetSmart, Inc. (3-Month ICE LIBOR			725 bps),		
Housewares & Specialties – 0.1%			plus 300 bps),			7.992%, 3–28–22	1,198	1,196
KIK Custom Products, Inc. (ICE LIBOR			5.120%, 3–11–22	1,507	1,312	Westmoreland Coal Co. (ICE LIBOR		
plus 400 bps),					3,007	plus 650 bps),		
6.242%, 5–15–23	697	693	Textiles – 0.1%			8.834%, 12–16–20 (M)	982	260
			SIWF Holdings, Inc. (ICE LIBOR plus					1,456
Movies & Entertainment – 0.0%			425 bps),			Oil & Gas Drilling – 0.1%		
DHX Media Ltd. (ICE LIBOR plus			6.408%, 6–15–25 (C)	645	650	KCA Deutag Alpha Ltd.,		
375 bps),						0.000%, 5–16–20 (L)	701	681
5.992%, 12–22–23 (C)	166	162	Tires & Rubber – 0.0%					
			Winter Park Intermediate, Inc. (ICE			Oil & Gas Exploration & Production – 0.1%		
Publishing – 0.1%			LIBOR plus 475 bps),			California Resources Corp. (ICE LIBOR		
Recorded Books, Inc. (ICE LIBOR plus			6.870%, 4–4–25	250	246	plus 475 bps),		
450 bps),						6.962%, 12–31–22	323	328
6.886%, 8–31–25 (C)	192	193	Total Consumer Discretionary – 4.2%		19,498			

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value
Oil & Gas Refining & Marketing – 0.0%			Other Diversified Financial Services (Continued)			Health Care Equipment (Continued)		
EG America LLC (ICE LIBOR plus 400 bps),			AqGen Ascensus, Inc. (ICE LIBOR plus 350 bps),			Sebia S.A. (3-Month EURIBOR plus 300 bps),		
6.386%, 2–6–25	\$ 249	\$ 249	5.886%, 12–3–22 (C)	\$ 13	\$ 13	3.000%, 10–24–24 (H)	EUR 300	\$ 347
			Aretec Group, Inc.,			WW Medical and Healthcare Holdings Corp. (ICE LIBOR plus 375 bps),		
Oil & Gas Storage & Transportation – 0.2%			0.000%, 8–15–25 (C)(L)	250	252	5.992%, 11–2–24	\$ 249	250
Bowie Resources Holdings LLC (ICE LIBOR plus 1,075 bps),					602			1,186
12.992%, 2–16–21	200	190	Property & Casualty Insurance – 0.1%			Health Care Facilities – 0.5%		
Bowie Resources Holdings LLC (ICE LIBOR plus 575 bps),			Alliant Holdings Intermediate LLC (ICE LIBOR plus 300 bps),			ATI Holdings Acquisition, Inc. (ICE LIBOR plus 350 bps),		
7.992%, 8–12–20	825	810	5.148%, 5–10–25	36	36	5.648%, 5–10–23 (C)	247	248
Oryx Southern Delaware Holdings LLC (ICE LIBOR plus 325 bps),			Hub International Ltd. (ICE LIBOR plus 300 bps),			BW NHHC Holdco, Inc. (ICE LIBOR plus 500 bps),		
5.492%, 2–28–25	249	244	5.335%, 4–25–25	267	268	7.158%, 5–15–25	249	245
		1,244			304	Covenant Surgical Partners, Inc. (3-Month ICE LIBOR plus 475 bps),		
Total Energy – 0.7%		3,958	Specialized Finance – 1.1%			6.842%, 9–29–24 (C)	10	10
Financials			Auris Luxembourg III S.a.r.l.,			Covenant Surgical Partners, Inc. (ICE LIBOR plus 475 bps):		
Asset Management & Custody Banks – 0.3%			0.000%, 7–24–25 (H)(L)	EUR 475	557	6.821%, 9–29–24 (C)	19	19
Edelman Financial Holdings II, Inc. (ICE LIBOR plus 675 bps),			BCPE Max Dutch Bidco B.V.,			6.843%, 9–29–24 (C)	191	191
9.092%, 7–20–26 (C)	689	703	0.000%, 9–19–25 (H)(L)	213	249	6.848%, 9–29–24 (C)	5	5
HarbourVest Partners LLC (ICE LIBOR plus 225 bps),			Capri Acquisitions Bidco Ltd. (3-Month EURIBOR plus 325 bps),			6.886%, 9–29–24 (C)	23	23
4.408%, 3–1–25 (C)	245	245	2.250%, 11–1–24 (H)	300	348	Envision Healthcare Corp.,		
Jade Germany GmbH (3-Month EURIBOR plus 475 bps),			EG Finco Ltd. (ICE LIBOR plus 475 bps),			0.000%, 9–28–25 (L)	250	249
5.750%, 5–31–23 (H)	EUR 494	572	5.550%, 2–6–25 (H)	GBP 478	622	Gentiva Health Services, Inc. (ICE LIBOR plus 375 bps),		
		1,520	Fugue Finance B.V. (3-Month EURIBOR plus 325 bps),			6.000%, 7–2–25 (C)	1,261	1,275
Diversified Banks – 0.1%			3.250%, 6–26–24 (H)	EUR 500	582	Gentiva Health Services, Inc. (ICE LIBOR plus 700 bps),		
Ocean Bidco, Inc. (ICE LIBOR plus 500 bps),			INEOS U.S. Finance LLC (ICE LIBOR plus 200 bps),			9.375%, 7–2–26	322	330
7.386%, 3–21–25	\$ 246	247	4.386%, 3–31–24	\$ 248	249	Select Medical Corp. (ICE LIBOR plus 350 bps):		
Financial Exchanges & Data – 0.1%			MA FinanceCo. LLC (ICE LIBOR plus 275 bps),			4.900%, 3–6–24	276	277
Financial & Risk U.S. Holdings, Inc.:			4.742%, 6–21–24	48	48	6.750%, 3–6–24	1	1
0.000%, 10–1–25 (H)(L)	EUR 480	518	Mayfield Agency Borrower, Inc. (ICE LIBOR plus 450 bps),			Team Health Holdings, Inc. (ICE LIBOR plus 275 bps),		
Hudson River Trading LLC (ICE LIBOR plus 425 bps),			6.742%, 2–28–25 (C)	1,766	1,774	4.992%, 2–6–24	189	183
6.326%, 4–3–25 (C)	\$ 380	382	Mayfield Agency Borrower, Inc. (ICE LIBOR plus 850 bps),					3,056
		900	10.742%, 2–28–26 (C)	502	494	Health Care Services – 0.7%		
Insurance Brokers – 0.1%					4,923	CHG PPC Parent LLC (ICE LIBOR plus 275 bps),		
NFP Corp. (ICE LIBOR plus 300 bps),			Total Financials – 2.3%		10,828	4.992%, 1–22–25 (C)	249	249
5.242%, 1–8–24	276	276	Health Care			Elysium Healthcare Holdings 3 Ltd. (ICE LIBOR plus 375 bps),		
Investment Banking & Brokerage – 0.4%			Biotechnology – 0.1%			5.975%, 4–4–25 (H)	GBP 44	56
ION Trading Finance Ltd. (ICE LIBOR plus 400 bps),			Laboratoire BIOLAM LCD (3-Month EURIBOR plus 350 bps),			Elysium Healthcare Holdings 3 Ltd. (ICE LIBOR plus 525 bps),		
6.386%, 11–21–24	280	279	3.500%, 6–14–24 (H)	EUR 500	579	5.975%, 4–4–25 (H)	456	585
Jane Street Group LLC (ICE LIBOR plus 375 bps),			Health Care Equipment – 0.3%			Hanger, Inc. (ICE LIBOR plus 350 bps),		
5.992%, 8–25–22	1,771	1,777	Exactech, Inc. (ICE LIBOR plus 375 bps),			5.742%, 3–6–25 (C)	\$ 249	248
		2,056	5.992%, 2–14–25	\$ 249	249	Heartland Dental LLC,		
Other Diversified Financial Services – 0.1%			LifeScan Global Corp.,			0.000%, 4–30–25 (L)	105	105
AqGen Ascensus, Inc.,			0.000%, 6–19–25 (C)(L)	107	102	Heartland Dental LLC (ICE LIBOR plus 375 bps),		
0.000%, 12–3–22 (C)(L)	21	21	Patterson Medical Holdings, Inc. (ICE LIBOR plus 475 bps),			5.992%, 4–30–25	697	697
AqGen Ascensus, Inc. (ICE LIBOR plus 350 bps),			7.092%, 8–28–22 (C)	248	238	LSCS Holdings, Inc.,		
5.886%, 12–3–22	315	316				0.000%, 3–9–25 (C)(L)	1	1

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value
Health Care Services (Continued)			Industrials			Industrial Conglomerates – 0.3%		
LSCS Holdings, Inc. (ICE LIBOR plus 425 bps):			Aerospace & Defense – 0.1%			PAE Holding Corp. (ICE LIBOR plus 550 bps),		
6.384%, 3–9–25 (C)	\$ 10	\$ 10	MB Aerospace Holdings II Corp. (ICE LIBOR plus 350 bps),			7.886%, 10–20–22	\$1,179	\$ 1,181
6.563%, 3–9–25 (C)	116	116	5.742%, 1–22–25	\$ 248	\$ 249	PAE Holding Corp. (ICE LIBOR plus 950 bps),		
6.636%, 3–9–25 (C)	42	41	Tronair, Inc. (1-Month U.S. LIBOR plus 475 bps),			11.886%, 10–20–23	122	122
6.751%, 3–9–25 (C)	42	41	7.566%, 9–8–23 (C)	340	335	Zebra Technologies Corp. (ICE LIBOR plus 175 bps),		
SavaSeniorCare LLC (1-Month U.S. LIBOR plus 730 bps),			Tronair, Inc. (Prime rate plus 375 bps),			4.063%, 10–27–21	310	312
9.459%, 10–11–18	1,288	1,289	7.136%, 9–8–23 (C)	3	3			1,615
Schumacher Group (ICE LIBOR plus 400 bps),					587			
6.076%, 7–31–22 (C)	200	202	Building Products – 0.1%			Industrial Machinery – 0.1%		
		3,640	C.H.I. Overhead Doors, Inc. (ICE LIBOR plus 375 bps),			Dynacast International LLC (ICE LIBOR plus 850 bps),		
Health Care Technology – 0.4%			5.492%, 7–31–22	539	540	10.886%, 1–30–23 (C)	554	546
BioClinica Holding I L.P. (ICE LIBOR plus 425 bps),								
6.625%, 10–20–23	344	326	Construction & Engineering – 0.2%			Office Services & Supplies – 0.0%		
Verscend Holding Corp. (ICE LIBOR plus 450 bps),			McDermott Technology (Americas), Inc. (ICE LIBOR plus 500 bps),			Fastener Acquisition, Inc. (ICE LIBOR plus 425 bps):		
6.742%, 8–27–25	1,520	1,532	7.242%, 5–10–25	1,345	1,363	6.492%, 3–28–25	106	106
		1,858				6.636%, 3–28–25	142	143
Life Sciences Tools & Services – 0.1%			Diversified Support Services – 0.7%					249
Avantor, Inc. (3-Month EURIBOR plus 425 bps),			Agro Merchants Intermediate Holdings L.P. (ICE LIBOR plus 375 bps),			Research & Consulting Services – 0.1%		
4.250%, 11–22–24 (H)	EUR 298	348	6.136%, 12–6–24	248	249	APCO Holdings, Inc. (ICE LIBOR plus 550 bps),		
Avantor, Inc. (ICE LIBOR plus 400 bps),			Diamond (BC) B.V. (ICE LIBOR plus 300 bps),			7.750%, 6–8–25 (C)	193	194
6.242%, 11–22–24	\$ 37	37	5.242%, 9–6–24	248	243	Information Resources, Inc. (ICE LIBOR plus 425 bps),		
Syneos Health, Inc. (ICE LIBOR plus 200 bps),			MRO Holdings, Inc. (ICE LIBOR plus 525 bps),			6.567%, 1–18–24	281	282
4.242%, 8–1–24	195	196	7.632%, 10–25–23 (C)	496	499			476
		581	Packers Holdings LLC (ICE LIBOR plus 325 bps),			Security & Alarm Services – 0.1%		
Pharmaceuticals – 0.5%			5.383%, 12–4–24	248	248	Garda World Security Corp. (ICE LIBOR plus 400 bps):		
AI Sirona (Luxembourg) Acquisition S.a.r.l.,			PT Holdings LLC (ICE LIBOR plus 400 bps),			5.821%, 5–26–24	232	233
0.000%, 7–10–25 (H)(L)	GBP 130	169	6.386%, 12–7–24	404	403	7.500%, 5–26–24	1	—*
AI Sirona (Luxembourg) Acquisition S.a.r.l. (3-Month EURIBOR plus 400 bps),			USS Ultimate Holdings, Inc. (ICE LIBOR plus 375 bps),			U.S. Security Associates Holdings, Inc. (ICE LIBOR plus 400 bps),		
0.000%, 7–10–25 (H)(L)	EUR 144	168	5.992%, 8–25–24	247	249	5.742%, 7–28–23	376	376
Amneal Pharmaceuticals LLC (ICE LIBOR plus 350 bps),			USS Ultimate Holdings, Inc. (ICE LIBOR plus 775 bps),					609
5.750%, 5–4–25	\$ 249	252	9.992%, 8–25–25	1,000	1,000			
Ceva Sante Animale (3-Month EURIBOR plus 300 bps),					2,891	Trading Companies & Distributors – 0.1%		
3.000%, 6–30–21 (H)	EUR 270	315	Environmental & Facilities Services – 0.1%			Chill Merger Sub, Inc. (ICE LIBOR plus 350 bps),		
Concordia International Corp. (ICE LIBOR plus 550 bps),			SMI Acquisition, Inc. (ICE LIBOR plus 375 bps),			5.742%, 3–20–24	298	298
7.620%, 9–6–24	\$ 200	195	6.094%, 11–1–24	248	236			
Ethypharm (ICE LIBOR plus 475 bps),						Trucking – 0.1%		
5.424%, 7–21–23 (H)	GBP 500	653	Heavy Electrical Equipment – 0.0%			YRC Worldwide, Inc. (ICE LIBOR plus 850 bps),		
UIC Merger Sub, Inc. (ICE LIBOR plus 325 bps),			Brookfield WEC Holdings, Inc. (ICE LIBOR plus 375 bps),			10.742%, 7–26–22	457	464
5.492%, 8–31–24	\$ 248	248	5.992%, 8–1–25	250	253			
		2,000				Total Industrials – 2.1%		10,864
Total Health Care – 2.6%		12,900	Highways & Railtracks – 0.1%			Information Technology		
			SH 130 Concession Co. LLC (3-Month ICE LIBOR plus 287.5 bps),			Application Software – 0.4%		
			5.117%, 6–5–20	734	737	Applied Systems, Inc. (ICE LIBOR plus 700 bps),		
						9.386%, 9–19–25	334	339
						Flexera Software LLC,		
						0.000%, 1–25–25 (L)	40	40

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value	LOANS (G) (Continued)	Principal	Value
Application Software (Continued)			Semiconductors – 0.1%			Specialty Chemicals (Continued)		
Flexera Software LLC (ICE LIBOR plus 325 bps), 5.500%, 2–26–25	\$249	\$ 249	Microchip Technology, Inc. (ICE LIBOR plus 200 bps), 4.080%, 5–29–25	\$ 234	\$ 234	W.R. Grace & Co. – Conn (ICE LIBOR plus 175 bps), 4.136%, 4–3–25	\$ 250	\$ 251
Mitchell International, Inc. (ICE LIBOR plus 325 bps), 5.492%, 11–30–24	210	210						1,718
Mitchell International, Inc. (ICE LIBOR plus 725 bps), 9.492%, 11–30–25	350	350	Systems Software – 0.1%			Total Materials – 0.9%		4,463
Seattle Spinco, Inc. (ICE LIBOR plus 275 bps), 4.742%, 6–21–24	327	326	Inovalon Holdings, Inc. (ICE LIBOR plus 350 bps), 5.625%, 4–2–25	250	250	Real Estate		
SS&C Technologies Holdings, Inc. (ICE LIBOR plus 250 bps), 4.492%, 4–16–25	227	227	Park Place Technologies LLC (ICE LIBOR plus 400 bps), 6.242%, 3–29–25	249	249	Hotel & Resort REITs – 0.2%		
VF Holding Corp. (ICE LIBOR plus 325 bps), 5.492%, 6–4–25	250	251			499	Hospitality Investors Trust, Inc. (1-Month U.S. LIBOR plus 650 bps), 8.633%, 5–1–19	1,000	1,000
		1,992	Total Information Technology – 1.4%		5,939			
Data Processing & Outsourced Services – 0.4%			Materials			Industrial REITs – 0.2%		
Colorado Buyer, Inc. (ICE LIBOR plus 300 bps), 9.360%, 5–1–25	377	377	Commodity Chemicals – 0.2%			Avolon TLB Borrower 1 U.S. LLC (ICE LIBOR plus 200 bps), 4.165%, 1–15–25	296	297
Great Dane Merger Sub, Inc. (ICE LIBOR plus 375 bps), 5.992%, 5–21–25 (C)	537	537	HVSC Merger Sub Corp. (ICE LIBOR plus 400 bps): 6.242%, 10–28–24	178	178	Terra Millennium Corp. (ICE LIBOR plus 625 bps), 8.500%, 10–31–22 (C)	536	537
Navicare, Inc. (ICE LIBOR plus 375 bps), 5.992%, 11–1–24 (C)	248	249	6.313%, 10–28–24	88	88			834
Output Services Group, Inc. (ICE LIBOR plus 425 bps), 6.492%, 3–27–24	249	251	ILPEA Parent, Inc. (ICE LIBOR plus 550 bps), 7.000%, 3–2–23	518	520	Retail REITs – 0.2%		
		1,414			786	Inland Retail Real Estate Trust, Inc. (1-Month U.S. LIBOR plus 650 bps), 8.604%, 4–1–19	1,161	1,167
Internet Software & Services – 0.1%			Construction Materials – 0.1%			Specialized REITs – 0.1%		
DigiCert Holdings, Inc., 0.000%, 9–20–24 (L)	20	20	Associated Asphalt Partners LLC (ICE LIBOR plus 525 bps), 7.492%, 4–5–24	172	172	Access CIG LLC, 0.000%, 2–27–25 (L)	28	28
DigiCert Holdings, Inc. (ICE LIBOR plus 475 bps), 6.826%, 10–31–24	249	250	Hillman Group, Inc. (The), 0.000%, 5–31–25 (L)	719	711	Access CIG LLC (ICE LIBOR plus 375 bps), 5.992%, 2–27–25	255	256
Parker Private Merger Sub, Inc., 0.000%, 9–17–25 (L)	250	251			883			284
		521	Diversified Chemicals – 0.1%			Total Real Estate – 0.7%		3,285
IT Consulting & Other Services – 0.3%			Caldic B.V. (3-Month EURIBOR plus 325 bps), 3.000%, 7–18–24 (H)	EUR 500	575	Telecommunication Services		
CCC Information Services, Inc. (ICE LIBOR plus 675 bps), 8.992%, 3–31–25	285	286				Alternative Carriers – 0.1%		
HS Purchaser LLC (ICE LIBOR plus 375 bps), 5.992%, 3–29–25 (C)	249	251	Metal & Glass Containers – 0.1%			Level 3 Financing, Inc. (ICE LIBOR plus 225 bps), 4.432%, 2–22–24	280	281
NAVEX TopCo, Inc. (ICE LIBOR plus 325 bps), 5.370%, 8–9–25	250	250	Crown Americas LLC (ICE LIBOR plus 200 bps), 4.163%, 4–3–25	\$ 249	250	Integrated Telecommunication Services – 0.9%		
Peak 10 Holding Corp. (ICE LIBOR plus 350 bps), 5.886%, 8–1–24	248	245				CenturyLink, Inc. (ICE LIBOR plus 275 bps): 4.992%, 9–30–22	1,055	1,053
Triple Point Group Holdings, Inc. (ICE LIBOR plus 425 bps), 6.636%, 7–13–20	278	247	Paper Packaging – 0.1%			4.992%, 1–31–25	478	474
		1,279	Flex Acquisition Co., Inc. (ICE LIBOR plus 325 bps), 5.751%, 6–22–25	250	251	Securus Technologies Holdings, Inc., 0.000%, 11–1–24 (L)	82	82
						Securus Technologies Holdings, Inc. (ICE LIBOR plus 450 bps), 6.742%, 11–1–24	269	269
			Specialty Chemicals – 0.3%			TDC A/S (3-Month EURIBOR plus 350 bps), 3.500%, 6–11–25 (H)	EUR 435	509
			Ferro Corp. (ICE LIBOR plus 225 bps), 4.636%, 2–14–24	281	281	TDC A/S (ICE LIBOR plus 350 bps), 5.839%, 6–11–25	\$ 250	252
			SK Spice Holdings S.a.r.l. (3-Month ICE LIBOR plus 425 bps), 6.583%, 7–11–24	351	351	Unitymedia GmbH (3-Month EURIBOR plus 275 bps), 2.750%, 1–15–27 (H)	EUR 458	534
			Starfruit Finco B.V., 0.000%, 9–20–25 (H)(L)	EUR 316	370			
			Starfruit U.S. Holdco LLC, 0.000%, 9–20–25 (L)	\$ 250	251			
			Styrolution Group GmbH (ICE LIBOR plus 375 bps), 4.386%, 9–30–21	214	214			

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (G) (Continued)	Principal	Value
Integrated Telecommunication Services (Continued)		
West Corp. (3-Month ICE LIBOR plus 400 bps), 6.242%, 10-10-24	\$1,366	\$ 1,361
Westmoreland Coal Co., 0.000%, 5-22-19 (L)	37	36
Westmoreland Coal Co. (3-Month U.S. LIBOR plus 825 bps), 10.562%, 5-22-19	165	164
		<u>4,734</u>
Total Telecommunication Services – 1.0%		5,015
TOTAL LOANS – 16.4%		\$78,686
(Cost: \$78,993)		
SHORT-TERM SECURITIES		
Commercial Paper (O) – 1.8% Kroger Co. (The), 2.350%, 10-1-18	4,314	4,313

SHORT-TERM SECURITIES (Continued)	Principal	Value
Commercial Paper (O) (Continued)		
Sonoco Products Co., 2.330%, 10-1-18	\$ 2,116	\$ 2,116
Wisconsin Electric Power Co., 2.252%, 10-3-18	3,000	2,999
		<u>9,428</u>
Master Note – 2.0% Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10-5-18 (N)	10,302	10,302
Money Market Funds–2.6% Dreyfus Institutional Preferred Government Money Market Fund-Institutional Shares, 2.140%, (P)(Q)	13,457	13,457

SHORT-TERM SECURITIES (Continued)	Principal	Value
United States Government Agency Obligations – 0.5% Overseas Private Investment Corp. (GTD by U.S. Government) (3-Month U.S. TB Rate), 2.220%, 10-7-18 (N)	\$2,440	\$ 2,440
TOTAL SHORT-TERM SECURITIES – 6.9%		\$ 35,627
(Cost: \$35,629)		
TOTAL INVESTMENT SECURITIES – 101.9%		\$521,256
(Cost: \$493,823)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (1.9)%		(9,932)
NET ASSETS – 100.0%		\$ 511,324

Notes to Schedule of Investments

*Not shown due to rounding.

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

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

(C)Securities whose value was determined using significant unobservable inputs.

(D)All or a portion of securities with an aggregate value of \$13,855 are on loan.

(E)Restricted securities. At September 30, 2018, the Fund owned the following restricted securities:

Security	Acquisition Date(s)	Principal	Cost	Market Value
Novae Group plc (3-Month U.S. LIBOR plus 405 bps), 6.364%, 06-30-34	8-4-17	\$400	\$ 387	\$ 399
		Shares		
Pinnacle Agriculture Enterprises LLC	3-10-17	233	106	130
Targa Resources Corp., 9.500%	10-24-17	1	1,415	1,375
			<u>\$1,908</u>	<u>\$1,904</u>

The total value of these securities represented 0.4% of net assets at September 30, 2018.

(F)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$125,146 or 24.5% of net assets.

(G)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Description of the reference rate and spread, if applicable, are included in the security description.

(H)Principal amounts are denominated in the indicated foreign currency, where applicable (EUR - Euro and GBP - British Pound).

(I)Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at September 30, 2018.

(J)Payment-in-kind bond which may pay interest in additional par and/or in cash. Rates shown are the current rate and possible payment rates.

(K)Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

SCHEDULE OF INVESTMENTS

IVY APOLLO MULTI-ASSET INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

(L) All or a portion of this position has not settled. Full contract rates do not take effect until settlement date.

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

(N) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(O) Rate shown is the yield to maturity at September 30, 2018.

(P) Investment made with cash collateral received from securities on loan.

(Q) Rate shown is the annualized 7-day yield at September 30, 2018.

The following forward foreign currency contracts were outstanding at September 30, 2018:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	5,120	U.S. Dollar	6,797	1-31-19	JPMorgan Securities LLC	\$ 82	\$—
Euro	3,588	U.S. Dollar	4,268	1-31-19	JPMorgan Securities LLC	58	—
Euro	5,382	U.S. Dollar	6,973	9-30-21	JPMorgan Securities LLC	97	—
Euro	499	U.S. Dollar	584	10-5-18	Morgan Stanley International	4	—
						<u>\$241</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 September 30, 2018. 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	\$ 8,033	\$ —	\$ 61
Consumer Staples	22,087	—	—
Energy	31,026	—	—
Financials	31,539	—	—
Health Care	31,320	—	—
Industrials	24,575	—	—
Information Technology	12,910	—	—
Materials	17,152	—	—
Real Estate	47,516	—	—
Telecommunication Services	3,977	—	—
Utilities	7,946	—	—
Total Common Stocks	<u>\$238,081</u>	<u>\$ —</u>	<u>\$ 61</u>
Investment Funds	6,260	—	—
Preferred Stocks	—	1,375	130
Asset-Backed Securities	—	7,004	—
Corporate Debt Securities	—	144,229	—
Mortgage-Backed Securities	—	9,673	—
Other Government Securities	—	130	—
Loans	—	67,180	11,506
Short-Term Securities	13,457	22,170	—
Total	<u>\$257,798</u>	<u>\$ 251,761</u>	<u>\$ 11,697</u>
Forward Foreign Currency Contracts	\$ —	\$ 241	\$ —

SEPTEMBER 30, 2018

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

	Common Stocks	Preferred Stocks	Mortgage- Backed Securities	Loans
Beginning Balance 10-1-17	\$ —	\$147	\$ 300	\$ 6,671
Net realized gain (loss)	—	—	—	(14)
Net change in unrealized appreciation (depreciation)	54	(17)	—	54
Purchases	7	—	—	9,430
Sales	—	—	—	(2,654)
Amortization/Accretion of premium/discount	—	—	—	9
Transfers into Level 3 during the period	—	—	—	649
Transfers out of Level 3 during the period	—	—	(300)	(2,639)
Ending Balance 9-30-18	\$ 61	\$130	\$ —	\$11,506
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 9-30-18	\$54	\$ (17)	\$ —	\$ 60

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 year ended September 30, 2018, there were no transfers between Levels 1 and 2.

Information about Level 3 fair value measurements:

	Fair Value at 9-30-18	Valuation Technique(s)	Unobservable Input(s)	Input Value(s)
Assets				
Common Stocks	\$ 61	Market comparable approach	Adjusted EBITDA multiple	9.19x
Preferred Stocks	130	Market comparable approach	Adjusted EBITDA multiple Illiquidity Discount	11.10x 10%
Loans	11,506	Third-party vendor service	Broker quotes	N/A

Significant increases (decreases) in the adjusted revenue multiple and adjusted EBITDA multiple inputs could result in a higher (lower) fair value measurement. However, significant increases (decreases) in the illiquidity discount input could result in a lower (higher) fair value measurement.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts
 CLO = Collateralized Loan Obligation
 EURIBOR = Euro Interbank Offered Rate
 GTD = Guaranteed
 ICE = Intercontinental Exchange
 LIBOR = London Interbank Offered Rate
 PIK = Payment in kind
 REIT = Real Estate Investment Trust
 TB = Treasury Bill

SEPTEMBER 30, 2018

Country Diversification

(as a % of net assets)

United States	56.4%
France	6.3%
United Kingdom	6.3%
Netherlands	4.0%
Canada	3.7%
Luxembourg	2.5%
Japan	2.4%
Hong Kong	2.2%
Switzerland	2.1%
China	1.3%
Ireland	1.3%
Spain	1.1%
Other Countries	5.4%
Other+	5.0%

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

See Accompanying Notes to Financial Statements.

(UNAUDITED)

The Ivy Apollo Strategic Income Fund is managed overall by Ivy Investment Management Company, which has retained Apollo Credit Management, LLC to sub-advise the Fund's total return strategy sleeve. Below, a portfolio manager of the Fund, Mark G. Beischel, CFA, discusses positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Beischel has managed the Fund since inception and has 25 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended September 30, 2018

Ivy Apollo Strategic Income Fund (Class A shares at net asset value)	1.53%
Ivy Apollo Strategic Income Fund (Class A shares including sales charges)	-4.34%
Benchmark(s) and/or Lipper Category	
50% Bloomberg Barclays Global Credit 1-10 Year Hedged Index/50% ICEBofAML U.S. High Yield Index (generally reflects the performance of the global bond market with a hedged component intended to reduce the index's currency risk, and the performance of securities representing the high-yield sector of the bond market)	1.86%
50% Bloomberg Barclays Multiverse Index/50% ICE BofAML U.S. High Yield Index (generally reflects the performance of the global bond market, and the performance of securities representing the high-yield sector of the bond market)	0.80%
Bloomberg Barclays Global Credit 1-10 Year Hedged Index (generally reflects the performance of securities representing the global bond market with a hedged component intended to reduce the index's currency risk.)	0.79%
Bloomberg Barclays Multiverse Index (generally reflects the performance of securities representing the global bond market)	-1.32%
ICE BofAML U.S. High Yield Index (generally reflects the performance of securities representing the high-yield sector of the bond market)	2.94%
Lipper Multi-Sector Income Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	0.61%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees. Effective May 2018, the Fund's blended benchmark changed to 50% Bloomberg Barclays Global Credit 1-10 Year Hedged Index + 50% ICE BofAML US High Yield Index from the prior blended benchmark of 50% Bloomberg Barclays Multiverse Index + 50% ICE BofAML U.S. High Yield Index. Ivy Investment Management Company believes the new blended benchmark and new component are more reflective of the types of securities in which the Fund invests than the prior blended benchmark. The prior blended benchmark is shown for comparison purposes. The performance discussion below is at net asset value (NAV).

Improving global climate

As a whole, global equities were higher for the fiscal year with the U.S. and Japan the standout performers as the fiscal year ended. Emerging market equities underperformed during calendar year 2018 after starting the fiscal year with strong performance. As global liquidity waned late in the fiscal year, weaker emerging market countries such as Turkey, Argentina, Brazil and Mexico faced wider credit spreads, weaker currencies and lower stock prices.

Volatility in the global fixed income markets also increased late in the fiscal year. Political concerns emerged from elections in Italy's, where a new government brought the European Union's (EU) sustainability back into the spotlight. The new Italian government's targeted budget deficit was more aggressive than the market expected, resulting in euro weakening and Italian government rates increasing. Against this backdrop, the U.S. dollar showed ongoing strength during the fiscal year against other world currencies.

The Trump administration's policies regarding international trade and investment emerged as an important source of downside risk for the global economy during the fiscal year. As the year came to a close, the administration completed a revamp of the North American Free Trade Agreement (NAFTA) with Mexico and Canada — named the U.S.-Mexico-Canada Agreement (USMCA) — but trade talks with China did not make similar progress. Tariffs and the potential for an extended trade war between the U.S. and China emerged during the year and extended to other countries. Tariffs were in place on much of the world's steel and aluminum shipments to the U.S. along with a range of other consumer and industrial goods. Most of the affected nations have imposed their own tariffs on a broad range of U.S. goods. It is unclear what the end-game strategy is for the Trump administration related to trade, which added to market uncertainty.

Portfolio strategy

The Fund finished the fiscal year with a positive return that was slightly less than the positive return of its blended benchmark index, but higher than the return of its peer group average.

The Fund benefited from its relatively shorter effective duration and large weighting in credit, as the Trump administration's pro-growth policies on fiscal stimulus, tax reforms and reduced regulations allowed improvement in U.S. economic conditions that lead to tightening in credit spreads. The main contributor to the positive return was the Fund's high-yield exposure in the CCC- rated bond market and to the leveraged loan market. The CCC sector within the high yield market continued to benefit from a lack of issuance as well as exposure to U.S. rather than international growth. The leveraged loan market continued to benefit from rising short-term interest rates, based on the U.S. Federal Reserve (Fed) steadily increasing rates.

The Fed increased the fed funds rate late in the fiscal year to a range of 2.00-2.25%, a 0.25-percentage point increase from the prior level, marking the third rate increase in calendar year 2018 and the eighth increase since December 2015. The Fed indicated it had determined that it had met its dual mandate, with the unemployment rate at 3.9% as the fiscal year ended and core inflation approaching the Fed's 2% target.

We again maintained a low duration in the Fund and have built what we believe to be plenty of liquidity. We believe shorter duration will enable the portfolio to continue to focus on higher yielding corporate bonds, while greater liquidity will allow us to be more responsive to changing market environments.

Outlook

We think President Donald Trump will use the USMCA framework for future trade negotiations with the EU and Japan. Further negotiations with China do not appear to be imminent. Emerging-market growth is now under pressure from the combination of a stronger U.S. dollar and higher oil prices. The outlook is further clouded by the aggressive U.S. trade policy. These headwinds could result in sales and earnings pressure for multinational and emerging market companies. In Europe, political uncertainty has increased largely due to the region's inability to effectively manage and absorb a large population of refugees.

We think the Fed will continue gradual rate hikes and expect another increase during 2018. The market also is anticipating two or three increases in 2019.

We believe the shape of the yield curve will remain flat, with the Fed continuing its approach of increased short-term rates and measured inflationary pressures on the long end of the curve. The long end of the curve also is being affected by what we consider "push" forces (increased Treasury supply from budget deficits, Fed balance sheet normalization and increased term premiums) and "pull" forces (global trade concerns, a strong U.S. dollar, political concerns and emerging market volatility).

U.S. labor markets continue to grow and beat expectations, which has kept consumer confidence near cycle highs and supported strong spending growth.

We believe trade will continue to be a risk factor going forward. There is the potential for more tariffs followed by retaliatory actions that might impact companies' capital investment plans. In our view, a negative feedback loop could affect the markets and ultimately consumer confidence.

We believe that U.S. economic growth is likely to continue to benefit from lower individual and corporate tax rates, vigorous private-sector hiring and consumer spending.

We think pressure on U.S. interest rates is likely to continue as a growing Treasury supply from budget deficits and the normalization of the Fed balance sheet combine to put some term premium back into the yield curve.

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.

Although asset allocation among different sleeves and asset categories generally tends to limit risk and exposure to any one sleeve, the risk remains that the allocation of assets may skew toward a sleeve that performs poorly relative to the Fund's other sleeves, or to the market as a whole, which would result in the Fund performing poorly.

While Ivy Investment Management Company (IICO) monitors the investments of Apollo Credit Management (Apollo) in addition to the overall management of the Fund, including rebalancing the Fund's target allocations,

IICO and Apollo make investment decisions for their investment sleeves independently from one another. It is possible that the investment styles used by IICO or Apollo will not always complement each other, which could adversely affect the performance of the Fund. As a result, the Fund's aggregate exposure to a particular industry or group of industries, or to a single issuer, could unintentionally be larger or smaller than intended.

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.

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 NAV of the Fund 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.

Loans (including loan assignments, loan participations and other loan instruments) carry other risks, including the risk of insolvency of the lending bank or other intermediary. Loans 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 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 Apollo Strategic Income Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	1.8%
Financials	1.3%
Energy	0.3%
Consumer Discretionary	0.1%
Consumer Staples	0.1%
Health Care	0.0%
Bonds	94.9%
Corporate Debt Securities	58.5%
Loans	17.3%
Other Government Securities	9.4%
United States Government and Government Agency Obligations	6.6%
Mortgage-Backed Securities	1.9%
Asset-Backed Securities	1.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	3.3%

Quality Weightings

Investment Grade	34.2%
AAA	5.5%
AA	3.3%
A	8.2%
BBB	17.2%
Non-Investment Grade	60.7%
BB	14.2%
B	30.2%
CCC	11.3%
Below CCC	0.4%
Non-rated	4.6%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Equities	5.1%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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.

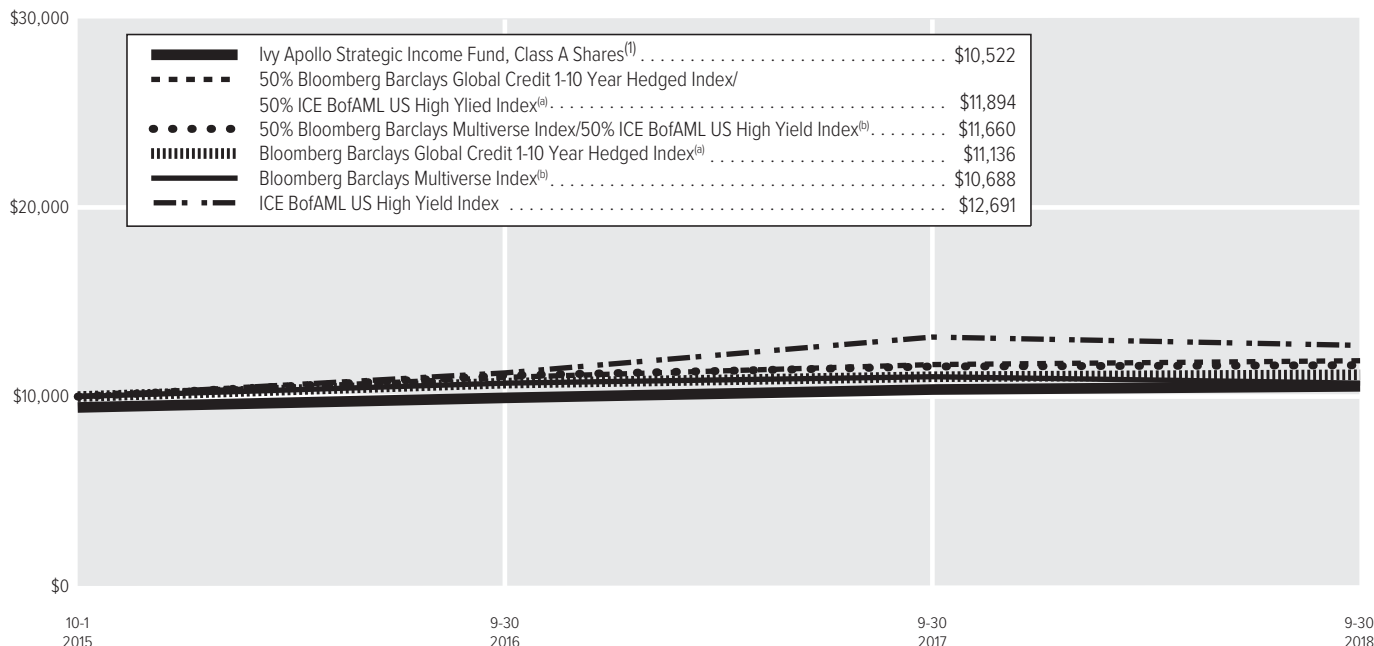
Country Weightings

North America	63.6%
United States	57.9%
Other North America	5.7%
Europe	15.4%
Luxembourg	4.1%
Other Europe	11.3%
Pacific Basin	6.6%
South America	6.2%
Bahamas/Caribbean	2.9%
Other	1.7%
Middle East	0.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	3.3%

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

IVY APOLLO STRATEGIC INCOME FUND

(UNAUDITED)



(a) Effective April 2018, the Fund's blended benchmark changed from 50% Bloomberg Barclays Multiverse Index + 50% ICE BofAML US High Yield Index to 50% Bloomberg Barclays Global Credit 1-10 Year Hedged Index + 50% ICE BofAML US High Yield Index, and the Bloomberg Barclays Multiverse Index component changed to the Bloomberg Barclays Global Credit 1-10 Year Hedged Index component. IICO believes that the blended benchmark of 50% Bloomberg Barclays Global Credit 1-10 Year Hedged Index + 50% ICE BofAML US High Yield Index and the Bloomberg Barclays Global Credit 1-10 Year Hedged Index component are more reflective of the types of securities in which the Fund invests than the prior blended benchmark and benchmark component.

(b) The prior blended benchmark and benchmark components are shown for comparison purposes.

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 I	Class N	Class Y
1-year period ended 9-30-18	-4.34%	0.82%	1.95%	1.92%	1.58%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	1.71%	3.03%	4.08%	4.13%	3.79%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 1% (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class N 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) 10-1-15 for Class A shares, 10-1-15 for Class C shares, 10-1-15 for Class I shares, 10-1-15 for Class N shares and 10-1-15 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 APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS	Shares	Value	ASSET-BACKED SECURITIES (Continued)	Principal	Value	CORPORATE DEBT SECURITIES	Principal	Value
Canada			Cayman Islands (Continued)			Argentina		
Health Care – 0.0%			Greenwood Park CLO Ltd., Series			Energy – 0.2%		
Concordia International Corp. (A)	8	\$ 168	2018-1A, Class E (3-Month U.S. LIBOR plus 495 bps)			Pampa Energia S.A. 7.500%, 1–24–27 (E)	\$ 1,200	\$ 1,062
Total Canada – 0.0%		168	6.975%, 4–15–31 (E)(F)	\$ 250	\$ 237	Total Argentina – 0.2%		1,062
Netherlands			Greywolf CLO Ltd., Series 2015-1A, Class DR (3-Month U.S. LIBOR plus 585 bps)			Australia		
Consumer Discretionary – 0.0%			8.185%, 1–27–31 (E)(F)	250	247	Financials – 0.3%		
Altice N.V., Class A (A)	11	29			727	Australia and New Zealand Banking Group Ltd. 4.500%, 3–19–24 (E)	1,500	1,495
Total Netherlands – 0.0%		29	United States – 1.2%			Utilities – 0.3%		
United States			Adams Mill CLO Ltd., Series 2014-1A, Class D1 (3-Month U.S. LIBOR plus 350 bps)			Ausgrid Finance Pty Ltd. 3.850%, 5–1–23 (E)	1,400	1,391
Consumer Discretionary – 0.1%			5.839%, 7–15–26 (E)(F)	400	399	Total Australia – 0.6%		2,886
Altice USA, Inc., Class A	4	81	Anchorage Credit Funding Ltd., Series 2015-2A, Class D			Austria		
Cumulus Media, Inc., Class A (A)	1	16	7.300%, 1–25–31 (E)	400	395	Consumer Staples – 0.1%		
Laureate Education, Inc., Class A (A)	20	304	Antares CLO 2017-1A Ltd. (3-Month U.S. LIBOR plus 775 bps)			JBS Investments GmbH (GTD by Hungary Holdings Kft) 7.250%, 4–3–24	200	204
True Religion Apparel, Inc. (A)(B)	1	68	10.098%, 7–20–28 (F)	1,350	1,346	JBS Investments GmbH (GTD by JBS S.A. and JBS Hungary Holdings Kft.) 7.750%, 10–28–20 (E)	600	610
		469	Benefit Street Partners CLO Ltd., Series 2018-14A, Class E (3-Month U.S. LIBOR plus 535 bps)					814
Total United States – 0.1%		469	7.698%, 4–20–31 (E)(F)	250	240	Materials – 0.4%		
TOTAL COMMON STOCKS – 0.1%		\$ 666	Fortress Credit BSL Ltd., Series 2018-1A, Class ER (3-Month U.S. LIBOR plus 645 bps)			Bahia Sul Holdings GmbH 5.750%, 7–14–26 (E)	2,000	2,017
(Cost: \$658)			8.783%, 7–23–31 (E)(F)	750	727	Total Austria – 0.5%		2,831
INVESTMENT FUNDS			Golub Capital Partners CLO Ltd., Series 2013-17A, Class CR (3-Month U.S. LIBOR plus 350 bps)			Bermuda		
United States – 1.3%			5.835%, 10–25–30 (E)(F)	1,000	986	Consumer Staples – 0.2%		
iShares iBoxx \$ High Yield Corporate Bond ETF (C)	78	6,703	ICG U.S. CLO Ltd., Series 2014-1A, Class DR (3-Month U.S. LIBOR plus 649 bps)			Bacardi Ltd. 4.450%, 5–15–25 (E)	1,100	1,096
TOTAL INVESTMENT FUNDS – 1.3%		\$6,703	8.838%, 1–20–30 (E)(F)	250	253	Total Bermuda – 0.2%		1,096
(Cost: \$6,603)			TIAA Churchill Middle Market CLO I Ltd., Series 2016-1A, Class D (3-Month U.S. LIBOR plus 540 bps)			Brazil		
PREFERRED STOCKS			7.748%, 10–20–28 (E)(F)	250	250	Consumer Staples – 0.3%		
United States			Trinitas CLO Ltd., Series 2018-8A, Class E (3-Month U.S. LIBOR plus 590 bps)			Cosan Ltd. 5.950%, 9–20–24 (E)	1,725	1,628
Consumer Staples – 0.1%			8.251%, 7–20–31 (E)(F)	500	496	Materials – 0.4%		
Pinnacle Agriculture Enterprises LLC (A)(B)(D)	389	217	ZAIS CLO 7 Ltd., Series 2017-2A, Class E (3-Month U.S. LIBOR plus 715 bps)			Fibria Overseas Finance Ltd.: 5.250%, 5–12–24 (C)	800	811
Energy – 0.3%			9.489%, 4–15–30 (E)(F)	500	499	4.000%, 1–14–25	850	788
Targa Resources Corp., 9.500% (D)	1	1,578			5,591	Suzano Austria GmbH 6.000%, 1–15–29 (E)	200	201
Total United States – 0.4%		1,795	TOTAL ASSET-BACKED SECURITIES – 1.2%		\$ 6,318	Vale Overseas Ltd. 6.250%, 8–10–26	125	137
TOTAL PREFERRED STOCKS – 0.4%		\$ 1,795	(Cost: \$6,287)					1,937
(Cost: \$1,801)								
ASSET-BACKED SECURITIES								
Principal								
Cayman Islands – 0.0%								
Anchorage Capital CLO Ltd., Series 2014-4RA, Class E (3-Month U.S. LIBOR plus 550 bps)								
7.839%, 1–28–31 (E)(F)	\$ 250	243						

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Utilities – 0.3%		
Aegea Finance S.a.r.l.		
5.750%, 10–10–24 (E)	\$1,000	\$ 932
Cemig Geracao e Transmissao S.A.		
9.250%, 12–5–24 (E)	400	412
		<u>1,344</u>
Total Brazil – 1.0%		4,909
British Virgin Islands		
Financials – 0.1%		
King Power Capital Ltd.		
5.625%, 11–3–24	225	236
		<u>236</u>
Total British Virgin Islands – 0.1%		236
Canada		
Consumer Discretionary – 0.4%		
1011778 B.C. Unlimited Liability Co. and New Red Finance, Inc.:		
4.250%, 5–15–24 (E)	205	194
4.250%, 5–15–24 (E)	394	374
5.000%, 10–15–25 (E)	1,040	996
Gateway Casinos & Entertainment Ltd.		
8.250%, 3–1–24 (E)	587	618
		<u>2,182</u>
Energy – 0.7%		
Bellatrix Exploration Ltd.		
8.500%, 5–15–20 (C)(E)	664	407
Seven Generations Energy Ltd.:		
6.750%, 5–1–23 (E)	1,257	1,295
5.375%, 9–30–25 (E)	480	467
TransCanada PipeLines Ltd.		
3.800%, 10–1–20	1,000	1,010
		<u>3,179</u>
Financials – 0.4%		
Royal Bank of Canada:		
2.500%, 1–19–21	750	738
4.650%, 1–27–26	550	562
Tervita Escrow Corp.		
7.625%, 12–1–21 (E)	244	251
		<u>1,551</u>
Health Care – 0.0%		
Concordia Healthcare Corp.		
8.000%, 9–6–24	81	79
		<u>79</u>
Industrials – 0.3%		
GFL Environmental, Inc.:		
5.625%, 5–1–22 (E)	155	150
5.375%, 3–1–23 (E)	858	807
7.000%, 6–1–26 (E)	730	705
Ritchie Bros. Auctioneers, Inc.		
5.375%, 1–15–25 (E)	106	106
		<u>1,768</u>

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Information Technology – 0.5%		
Kronos Acquisition Holdings, Inc.		
9.000%, 8–15–23 (E)	\$ 2,849	\$ 2,685
		<u>2,685</u>
Materials – 0.2%		
HudBay Minerals, Inc.:		
7.250%, 1–15–23 (E)	68	70
7.625%, 1–15–25 (E)	102	105
NOVA Chemicals Corp.:		
4.875%, 6–1–24 (E)	661	636
5.250%, 6–1–27 (E)	265	247
		<u>1,058</u>
Total Canada – 2.5%		12,502
Cayman Islands		
Financials – 0.2%		
ADC Finance Cayman Ltd.		
4.000%, 3–29–23 (E)	200	198
Banco do Brasil S.A.		
6.000%, 1–22–20 (E)	1,000	1,025
UPCB Finance IV Ltd.:		
5.375%, 1–15–25 (E)	102	102
3.625%, 6–15–29 (G)	EUR 100	115
		<u>1,440</u>
Industrials – 0.8%		
DP World Ltd.		
4.848%, 9–26–28 (E)	\$ 200	198
Guanay Finance Ltd.		
6.000%, 12–15–20	1,370	1,373
LATAM Finance Ltd.		
6.875%, 4–11–24 (E)	2,000	1,943
		<u>3,514</u>
Materials – 0.4%		
Braskem Finance Ltd. (GTD by Braskem S.A.)		
5.750%, 4–15–21 (E)	1,800	1,848
		<u>1,848</u>
Real Estate – 0.0%		
Link Finance (Cayman) 2009 Ltd.		
2.875%, 7–21–26	200	183
		<u>183</u>
Telecommunication Services – 0.9%		
CK Hutchison International (16) Ltd.		
1.875%, 10–3–21 (E)	2,000	1,900
Sable International Finance Ltd.		
6.875%, 8–1–22 (E)	2,248	2,349
		<u>4,249</u>
Total Cayman Islands – 2.3%		11,234
Chile		
Financials – 0.2%		
Banco Santander Chile		
2.500%, 12–15–20 (E)	1,250	1,225
		<u>1,225</u>

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Materials – 0.1%		
Celulosa Arauco y Constitucion S.A.		
5.000%, 1–21–21	\$ 700	\$ 715
		<u>715</u>
Utilities – 0.2%		
Empresa Electrica Angamos S.A.		
4.875%, 5–25–29	191	188
Enel Chile S.A.		
4.875%, 6–12–28	840	847
		<u>1,035</u>
Total Chile – 0.5%		2,975
China		
Energy – 0.2%		
Sinopec Group Overseas Development (2018) Ltd.		
4.125%, 9–12–25 (C)(E)	800	793
		<u>793</u>
Financials – 0.0%		
Bank of China Ltd.		
5.000%, 11–13–24	200	204
China Construction Bank Corp.		
3.875%, 5–13–25	200	198
		<u>402</u>
Information Technology – 0.7%		
Alibaba Group Holding Ltd.:		
2.500%, 11–28–19	1,500	1,492
2.800%, 6–6–23	900	867
Tencent Holdings Ltd.		
2.985%, 1–19–23 (E)	1,000	968
		<u>3,327</u>
Total China – 0.9%		4,522
Columbia		
Financials – 0.3%		
Banco de Bogota S.A.		
5.375%, 2–19–23 (E)	1,300	1,334
		<u>1,334</u>
Total Columbia – 0.3%		1,334
France		
Consumer Discretionary – 0.9%		
Altice France S.A.:		
7.375%, 5–1–26 (E)	2,494	2,497
8.125%, 2–1–27 (E)	1,500	1,541
Klesia Prevoyance		
5.375%, 12–8–26 (G)	EUR 300	371
		<u>4,409</u>
Consumer Staples – 0.5%		
Danone S.A.		
3.000%, 6–15–22 (E)	\$ 900	882
Pernod Ricard S.A.		
4.450%, 1–15–22 (E)	1,500	1,530
		<u>2,412</u>

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Financials – 0.5%		
BNP Paribas S.A.		
7.625%, 12–29–49 (E)	\$ 1,800	\$ 1,890
Humanis Prevoyance		
5.750%, 10–22–25 (G)	EUR 300	351
		<u>2,241</u>
Health Care – 0.0%		
Constantin Investissement 3 S.A.S.		
5.375%, 4–15–25 (G)	200	230
Telecommunication Services – 0.3%		
Orange S.A.		
1.625%, 11–3–19	\$ 1,500	1,477
Total France – 2.2%		10,769
Germany		
Consumer Discretionary – 0.0%		
PrestigeBidCo GmbH		
6.250%, 12–15–23 (G)	EUR 100	124
Materials – 0.0%		
CTC BondCo GmbH		
5.250%, 12–15–25 (G)	200	231
Telecommunication Services – 0.2%		
Unitymedia GmbH		
3.750%, 1–15–27 (G)	600	736
Total Germany – 0.2%		1,091
Hong Kong		
Consumer Discretionary – 0.1%		
Studio City Finance Ltd.		
8.500%, 12–1–20 (E)	\$ 455	456
Energy – 0.0%		
China Oil and Gas Group Ltd.		
4.625%, 4–20–22	200	190
Financials – 0.1%		
Bangkok Bank Public Co. Ltd.		
4.050%, 3–19–24 (E)	600	599
Westwood Group Holdings Ltd.		
5.375%, 10–19–23	200	194
		<u>793</u>
Total Hong Kong – 0.2%		1,439
India		
Industrials – 0.4%		
Adani Ports and Special Economic Zone Ltd.		
3.500%, 7–29–20 (E)	2,200	2,170
Materials – 0.4%		
Vedanta Resources plc		
6.375%, 7–30–22 (E)	1,800	1,733

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Telecommunication Services – 0.0%		
Bharti Airtel Ltd.		
4.375%, 6–10–25	\$ 200	\$ 185
Total India – 0.8%		4,088
Indonesia		
Utilities – 0.1%		
Perusahaan Listrik Negara		
5.450%, 5–21–28 (E)	700	719
Total Indonesia – 0.1%		719
Ireland		
Consumer Discretionary – 0.1%		
Virgin Media Receivables		
Financing Notes I DAC		
5.500%, 9–15–24 (G)	GBP 200	261
Total Ireland – 0.1%		261
Israel		
Utilities – 0.0%		
Israel Electric Corp. Ltd.		
6.875%, 6–21–23 (E)	\$ 200	219
Total Israel – 0.0%		219
Jamaica		
Telecommunication Services – 0.1%		
Digicel Group Ltd.:		
8.250%, 9–30–20 (E)	200	152
7.125%, 4–1–22 (E)	247	162
Digicel Ltd.		
6.750%, 3–1–23 (C)(E)	200	167
		<u>481</u>
Total Jamaica – 0.1%		481
Japan		
Consumer Staples – 0.3%		
Suntory Holdings Ltd.		
2.550%, 9–29–19 (E)	1,325	1,316
Financials – 0.7%		
Mitsubishi UFJ Financial Group, Inc.		
3.287%, 7–25–27	600	564
Mizuho Bank Ltd.		
2.450%, 4–16–19 (E)	750	749
Mizuho Financial Group, Inc.		
3.170%, 9–11–27	600	555
Sumitomo Mitsui Financial Group, Inc.		
3.748%, 7–19–23	1,240	1,236
		<u>3,104</u>
Total Japan – 1.0%		4,420

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Jersey		
Consumer Discretionary – 0.0%		
CPUK Finance Ltd.		
4.250%, 8–28–22 (E)(G)	GBP 100	\$ 130
Total Jersey – 0.0%		130
Luxembourg		
Consumer Discretionary – 2.0%		
Altice Financing S.A.:		
6.625%, 2–15–23 (E)	\$ 1,213	1,222
7.500%, 5–15–26 (E)	1,672	1,630
Altice S.A.:		
7.750%, 5–15–22 (C)(E)	3,100	3,017
7.250%, 5–15–22 (E)(G)	EUR 250	289
7.625%, 2–15–25 (C)(E)	\$ 800	725
6.250%, 2–15–25 (E)(G)	EUR 250	271
Intelsat Jackson Holdings S.A.:		
9.500%, 9–30–22 (E)	\$ 814	949
8.000%, 2–15–24 (E)	1,087	1,144
LHMC Finco S.a.r.l.		
6.250%, 12–20–23 (G)	EUR 100	120
LHMC Finco S.a.r.l. (3-Month U.S. LIBOR plus 575 bps):		
5.750%, 12–20–23 (E)(F)(G)	100	118
5.750%, 12–20–23 (F)(G)	100	118
Nielsen Co. (Luxembourg) S.a.r.l. (The)		
5.500%, 10–1–21 (E)	\$ 500	503
Samsonite Finco S.a.r.l.		
3.500%, 5–15–26 (G)	EUR 100	113
Telenet Finance Luxembourg Notes S.a.r.l.		
5.500%, 3–1–28 (E)	\$ 200	189
		<u>10,408</u>
Consumer Staples – 0.2%		
Minerva Luxembourg S.A.		
5.875%, 1–19–28 (E)	1,200	1,068
Energy – 0.2%		
Offshore Drilling Holding S.A.		
8.375%, 9–20–20 (E)(H)	1,600	840
Financials – 0.1%		
Amigo Luxembourg S.A.		
7.625%, 1–15–24 (E)(G)	GBP 100	130
Hidrovias International Finance S.a.r.l.		
5.950%, 1–24–25 (E)	\$ 370	337
		<u>467</u>
Industrials – 0.3%		
Ingersoll-Rand Luxembourg Finance S.A.		
2.625%, 5–1–20	1,500	1,486

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Information Technology – 0.3%		
Atento Luxco 1 S.A.		
6.125%, 8–10–22 (E)	\$1,525	\$ 1,494
Materials – 0.1%		
ARD Finance S.A.		
7.125% Cash or 7.875% PIK)		
7.125%, 9–15–23 (I)	200	203
ARD Securities Finance S.a.r.l.		
(8.750% Cash or 8.750% PIK)		
8.750%, 1–31–23 (E)(I)	418	418
		<u>621</u>
Total Luxembourg – 3.2%		16,384
Macau		
Consumer Discretionary – 0.2%		
Sands China Ltd.		
5.125%, 8–8–25 (E)	600	599
Wynn Macau Ltd.:		
4.875%, 10–1–24 (E)	200	188
5.500%, 10–1–27 (E)	446	418
		<u>1,205</u>
Total Macau – 0.2%		1,205
Malaysia		
Financials – 0.0%		
Malayan Banking Berhad		
3.905%, 10–29–26	200	197
Total Malaysia – 0.0%		197
Mauritius		
Telecommunication Services – 0.0%		
MTN (Mauritius) Investments Ltd.		
4.755%, 11–11–24	200	181
Total Mauritius – 0.0%		181
Mexico		
Consumer Discretionary – 0.2%		
Nemak S.A.B. de C.V.		
4.750%, 1–23–25 (E)	1,200	1,170
Consumer Staples – 0.5%		
Coca-Cola FEMSA S.A.B. de C.V.		
2.375%, 11–26–18	150	150
Grupo Bimbo S.A.B. de C.V.:		
4.875%, 6–30–20 (E)	350	357
4.500%, 1–25–22 (E)	1,250	1,279
Kimberly-Clark de Mexico		
3.800%, 4–8–24 (E)	1,000	976
		<u>2,762</u>

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Energy – 0.1%		
Petroleos Mexicanos		
5.350%, 2–12–28 (E)	\$ 500	\$ 471
Financials – 0.8%		
Banco Santander (Mexico) S.A.		
5.950%, 10–1–28 (E)	350	355
Banco Santander S.A.		
4.125%, 11–9–22 (E)	1,750	1,739
Nacional Financiera SNC		
3.375%, 11–5–20 (E)	750	744
Unifin Financiera S.A.B. de C.V.		
SOFOM E.N.R.		
7.250%, 9–27–23 (E)	450	444
		<u>3,282</u>
Materials – 0.5%		
CEMEX S.A.B. de C.V.		
7.750%, 4–16–26 (E)	550	602
Grupo Cementos de Chihuahua		
S.A.B. de C.V.		
5.250%, 6–23–24 (E)	2,146	2,137
		<u>2,739</u>
Telecommunication Services – 0.2%		
Telefonos de Mexico S.A.B de C.V.		
(GTD by America Movil S.A.B. de C.V.)		
5.500%, 11–15–19	1,000	1,024
Total Mexico – 2.3%		11,448
Netherlands		
Consumer Discretionary – 0.9%		
Clear Channel International B.V.		
8.750%, 12–15–20 (E)	156	161
Myriad International Holdings B.V.		
6.000%, 7–18–20 (E)	350	363
Stars Group Holdings B.V. and		
Stars Group (U.S.) Co-Borrower		
LLC		
7.000%, 7–15–26 (E)	487	502
VTR Finance B.V.		
6.875%, 1–15–24 (E)	3,203	3,259
		<u>4,285</u>
Consumer Staples – 0.5%		
MARB BondCo plc (GTD by Marfrig		
Global Foods S.A., Marfrig		
Overseas Ltd. and Marfrig		
Holdings (Europe) B.V.)		
7.000%, 3–15–24 (E)	1,200	1,134
Marfrig Holdings (Europe) B.V.		
8.000%, 6–8–23 (E)	650	652
Sigma Holdco B.V.:		
7.875%, 5–15–26 (E)	467	438
5.750%, 5–15–26 (G)	EUR 100	109
Sunshine Mid B.V.		
6.500%, 5–15–26 (G)	200	227
		<u>2,560</u>

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Energy – 0.1%		
Petrobras Global Finance B.V. (GTD		
by Petroleo Brasileiro S.A.)		
8.375%, 5–23–21	\$ 251	\$ 273
Financials – 0.8%		
Aegon N.V.		
4.000%, 4–25–44 (G)	EUR 200	246
ASR Nederland N.V.		
5.125%, 9–29–45 (G)	100	128
Cooperatieve Rabobank U.A.		
3.875%, 2–8–22	\$ 625	630
Enel Finance International N.V.		
4.625%, 9–14–25 (E)	1,450	1,419
Sigma Finance, Inc.		
4.875%, 3–27–28 (E)	1,400	1,374
Syngenta Finance N.V.		
5.182%, 4–24–28 (E)	725	693
		<u>4,490</u>
Materials – 0.5%		
Constellium N.V.:		
5.750%, 5–15–24 (E)	1,000	994
6.625%, 3–1–25 (E)	1,081	1,095
5.875%, 2–15–26 (E)	449	439
		<u>2,528</u>
Total Netherlands – 2.8%		14,136
Norway		
Energy – 0.3%		
Aker BP ASA		
6.000%, 7–1–22 (E)	1,500	1,547
Total Norway – 0.3%		1,547
Panama		
Financials – 0.3%		
Banco de Credito del Peru		
2.250%, 10–25–19 (E)	500	494
Banco Latinoamericano de		
Comercio Exterior S.A.		
3.250%, 5–7–20 (E)	1,000	990
		<u>1,484</u>
Total Panama – 0.3%		1,484
Peru		
Financials – 0.2%		
Banco de Credito del Peru		
4.250%, 4–1–23 (E)	550	553
Corporacion Financiera de		
Desarrolla S.A.		
4.750%, 2–8–22 (E)	550	562
		<u>1,115</u>
Total Peru – 0.2%		1,115

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Qatar		
Energy – 0.1%		
Ras Laffan Liquefied Natural Gas Co. Ltd. II		
5.298%, 9–30–20 (E)	\$ 625	\$ 638
Total Qatar – 0.1%		638
South Korea		
Financials – 0.6%		
Hyundai Capital Services, Inc.		
3.750%, 3–5–23 (E)	1,200	1,185
Kookmin Bank		
2.125%, 10–21–20 (E)	750	729
Woori Bank		
2.625%, 7–20–21 (E)	750	725
		<u>2,639</u>
Telecommunication Services – 0.2%		
SK Broadband Co. Ltd.		
2.875%, 10–29–18	500	500
SK Telecom Co. Ltd.		
3.750%, 4–16–23 (E)	500	495
		<u>995</u>
Total South Korea – 0.8%		3,634
Spain		
Consumer Discretionary – 0.0%		
eDreams ODIGEO S.A.		
5.500%, 9–1–23 (E)(G)	EUR 100	116
Financials – 0.0%		
Mapfre S.A.		
4.375%, 3–31–47 (G)	100	121
Utilities – 0.3%		
Abengoa Yield plc		
7.000%, 11–15–19 (E)	\$ 1,478	1,507
Total Spain – 0.3%		1,744
Sweden		
Consumer Discretionary – 0.0%		
Radisson Hotel Holdings AB		
6.875%, 7–15–23 (E)(G)	EUR 139	175
Industrials – 0.0%		
Verisure Midholding AB		
5.750%, 12–1–23 (G)	200	235
Total Sweden – 0.0%		410
Switzerland		
Financials – 0.1%		
Credit Suisse Group AG		
4.282%, 1–9–28 (E)	\$ 700	680
Total Switzerland – 0.1%		680

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Turkey		
Financials – 0.0%		
Türkiye Garanti Bankası A.S.		
4.750%, 10–17–19	\$ 200	\$ 195
Total Turkey – 0.0%		195
United Arab Emirates		
Energy – 0.3%		
Abu Dhabi National Energy Co.		
4.375%, 4–23–25 (E)	1,400	1,394
Financials – 0.2%		
ICICI Bank Ltd.		
4.000%, 3–18–26 (E)	1,200	1,116
Total United Arab Emirates – 0.5%		2,510
United Kingdom		
Consumer Staples – 0.3%		
Imperial Tobacco Finance plc		
3.750%, 7–21–22 (E)	1,500	1,493
Energy – 0.3%		
Enesco plc		
7.750%, 2–1–26	480	476
KCA Deutag UK Finance plc		
7.250%, 5–15–21 (E)	1,000	943
		<u>1,419</u>
Financials – 1.0%		
ANZ New Zealand International Ltd.		
3.450%, 1–21–28 (E)	500	474
Arrow Global Finance plc		
5.125%, 9–15–24 (G)	GBP 150	181
Barclays plc:		
4.337%, 1–10–28	\$ 700	662
8.250%, 12–29–49	1,300	1,311
Esure Group plc		
6.750%, 12–19–24 (G)	GBP 850	1,238
HSBC Holdings plc		
4.583%, 6–19–29	\$ 800	801
RL Finance Bonds No. 2 plc		
6.125%, 11–30–43 (G)	GBP 100	142
Scottish Widows Ltd.		
5.500%, 6–16–23 (G)	100	142
		<u>4,951</u>
Total United Kingdom – 1.6%		7,863
United States		
Consumer Discretionary – 6.3%		
Acosta, Inc.		
7.750%, 10–1–22 (E)	\$ 1,247	424
Allison Transmission, Inc.		
5.000%, 10–1–24 (E)	178	177
Altice U.S. Finance I Corp.:		
5.375%, 7–15–23 (E)	484	490
5.500%, 5–15–26 (E)	600	598
Altice U.S. Finance II Corp.		
7.750%, 7–15–25 (E)	605	644

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Consumer Discretionary (Continued)		
Arch Merger Sub, Inc.		
8.500%, 9–15–25 (C)(E)	\$ 1,414	\$ 1,327
Argos Merger Sub, Inc.		
7.125%, 3–15–23 (E)	72	52
Block Communications, Inc.		
6.875%, 2–15–25 (E)	114	117
Boyne USA, Inc.		
7.250%, 5–1–25 (E)	476	503
CCO Holdings LLC and CCO Holdings Capital Corp.:		
5.500%, 5–1–26 (E)	2,700	2,670
5.000%, 2–1–28 (E)	909	854
Cedar Fair L.P., Magnum Management Corp., Canada's Wonderland Co. and Millennium Operations LLC		
5.375%, 4–15–27	405	394
Clear Channel Outdoor Holdings, Inc.		
6.500%, 11–15–22	1,985	2,025
Clear Channel Worldwide Holdings, Inc., Series A		
7.625%, 3–15–20	227	228
Clear Channel Worldwide Holdings, Inc., Series B		
7.625%, 3–15–20	1,284	1,287
CSC Holdings LLC		
5.375%, 2–1–28 (E)	960	917
Cumberland Farms, Inc.		
6.750%, 5–1–25 (E)	357	366
DISH DBS Corp.:		
6.750%, 6–1–21	319	326
5.875%, 7–15–22	1,000	976
5.875%, 11–15–24	379	341
7.750%, 7–1–26 (C)	620	587
E.W. Scripps Co.		
5.125%, 5–15–25 (E)	66	63
Everi Payments, Inc.		
7.500%, 12–15–25 (E)	851	859
Golden Nugget, Inc.:		
6.750%, 10–15–24 (E)	1,202	1,219
8.750%, 10–1–25 (E)	234	246
Gray Television, Inc.		
5.875%, 7–15–26 (E)	188	186
K Hovnanian Enterprises, Inc.		
10.000%, 7–15–22 (E)	927	924
Laureate Education, Inc.		
8.250%, 5–1–25 (E)	3,838	4,110
Lennar Corp.		
4.500%, 4–30–24	650	636
MDC Partners, Inc.		
6.500%, 5–1–24 (E)	1,046	926
Neptune Finco Corp.:		
10.125%, 1–15–23 (E)	1,000	1,094
6.625%, 10–15–25 (E)	225	237
10.875%, 10–15–25 (E)	448	520
Nexstar Escrow Corp.		
5.625%, 8–1–24 (E)	159	156
Nielsen Finance LLC and Nielsen Finance Co.		
5.000%, 4–15–22 (E)	172	168

SCHEDULE OF INVESTMENTS

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CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Consumer Discretionary (Continued)		
Outfront Media Capital LLC and Outfront Media Capital Corp.		
5.625%, 2-15-24	\$ 400	\$ 404
Party City Holdings, Inc.		
6.625%, 8-1-26 (E)	368	373
Penske Automotive Group, Inc.		
5.500%, 5-15-26	153	149
Radio One, Inc. (GTD by TV One LLC)		
7.375%, 4-15-22 (E)	516	511
Sirius XM Radio, Inc.:		
4.625%, 5-15-23 (E)	571	565
6.000%, 7-15-24 (E)	1,450	1,505
Sonic Automotive, Inc.		
5.000%, 5-15-23	815	768
VOC Escrow Ltd.		
5.000%, 2-15-28 (E)	85	82
WMG Acquisition Corp.		
5.500%, 4-15-26 (E)	368	365
		<u>31,369</u>
Consumer Staples – 3.4%		
Anheuser-Busch Inbev S.A./N.V. (GTD by AB INBEV/BBR/COB)		
2.650%, 2-1-21	1,500	1,478
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB)		
4.000%, 4-13-28	1,150	1,133
Bunge Ltd. Finance Corp.		
3.500%, 11-24-20	3,795	3,783
JBS USA LLC and JBS USA Finance, Inc.:		
5.875%, 7-15-24 (E)	966	951
5.750%, 6-15-25 (E)	969	944
JBS USA Lux S.A. and JBS USA Finance, Inc.		
6.750%, 2-15-28 (E)	810	805
Maple Escrow Subsidiary, Inc.		
4.597%, 5-25-28 (E)	1,075	1,080
Performance Food Group, Inc.		
5.500%, 6-1-24(E)	618	612
Pilgrim's Pride Corp.:		
5.750%, 3-15-25 (E)	170	164
5.875%, 9-30-27 (E)	997	942
Post Holdings, Inc.:		
5.500%, 3-1-25 (E)	146	145
5.000%, 8-15-26 (E)	289	273
5.750%, 3-1-27 (E)	1,185	1,164
Reynolds American, Inc.		
4.450%, 6-12-25	1,000	1,007
Simmons Foods, Inc.:		
7.750%, 1-15-24 (E)	244	252
5.750%, 11-1-24 (E)	2,098	1,608
U.S. Foods, Inc.		
5.875%, 6-15-24 (E)	694	697
		<u>17,038</u>
Energy – 2.5%		
Brand Energy & Infrastructure Services, Inc.		
8.500%, 7-15-25 (E)	632	650

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Energy (Continued)		
Callon Petroleum Co. (GTD by Callon Petroleum Operating Co.):		
6.125%, 10-1-24	\$ 633	\$ 644
6.375%, 7-1-26	73	74
Chesapeake Energy Corp.:		
7.000%, 10-1-24	866	866
8.000%, 1-15-25 (C)	74	76
Comstock Escrow Corp.		
9.750%, 8-15-26 (E)	2,082	2,077
Crownrock L.P.		
5.625%, 10-15-25 (E)	1,441	1,410
Endeavor Energy Resources L.P.:		
5.500%, 1-30-26 (E)	513	513
5.750%, 1-30-28 (E)	347	347
EP Energy LLC and Everest Acquisition Finance, Inc.		
7.750%, 5-15-26 (E)	367	376
Extraction Oil & Gas, Inc.		
5.625%, 2-1-26 (E)	652	577
Laredo Petroleum, Inc.		
6.250%, 3-15-23	185	185
McDermott Escrow 1, Inc. and McDermott Escrow 2, Inc.		
10.625%, 5-1-24 (E)	335	358
Moss Creek Resources Holdings, Inc.		
7.500%, 1-15-26 (E)	1,359	1,357
Northern Oil and Gas, Inc. (9.500% Cash or 10.500% PIK)		
9.500%, 5-15-23 (I)	500	528
Parsley Energy LLC and Parsley Finance Corp.		
5.625%, 10-15-27 (E)	336	337
QEP Resources, Inc.		
5.625%, 3-1-26	309	296
Reliance Holding USA, Inc.		
4.500%, 10-19-20 (E)	500	506
Sanchez Energy Corp.		
7.250%, 2-15-23 (C)(E)	122	120
Sasol Financing USA LLC (GTD by Sasol Ltd.)		
5.875%, 3-27-24	200	204
SESI LLC		
7.125%, 12-15-21	196	199
Ultra Resources, Inc.		
6.875%, 4-15-22(E)	259	123
Weatherford International Ltd.,		
5.880% 5.875%, 7-1-21	672	633
Whiting Petroleum Corp.		
6.625%, 1-15-26	242	252
		<u>12,708</u>
Financials – 7.8%		
Amwins Group, Inc.		
7.750%, 7-1-26 (E)	607	631
Australia and New Zealand Banking Group Ltd.		
2.000%, 11-16-18	500	500
Balboa Merger Sub, Inc.		
11.375%, 12-1-21 (E)	1,310	1,398
Bank of America Corp.:		
6.875%, 11-15-18	1,700	1,709
3.593%, 7-21-28	1,200	1,143

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Financials (Continued)		
BBVA Bancomer S.A.		
6.500%, 3-10-21 (E)	\$ 1,100	\$ 1,149
Citigroup, Inc.		
3.520%, 10-27-28	1,250	1,174
Compass Group Diversified Holdings LLC		
8.000%, 5-1-26 (E)	488	503
Cooperatieve Rabobank U.A.		
3.125%, 4-26-21	1,000	993
CURO Group Holdings Corp.		
8.250%, 9-1-25 (E)	614	591
Diamond 1 Finance Corp. and Diamond 2 Finance Corp.		
3.480%, 6-1-19 (E)	500	501
Financial & Risk U.S. Holdings, Inc.:		
6.250%, 5-15-26 (E)	494	494
8.250%, 11-15-26 (E)	1,629	1,619
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.)		
2.400%, 5-9-19	1,000	997
Goldman Sachs Group, Inc. (The)		
3.814%, 4-23-29	2,300	2,193
Hadrian Merger Sub, Inc.		
8.500%, 5-1-26 (E)	894	854
HSBC USA, Inc.		
2.750%, 8-7-20	1,000	992
Hub International Ltd.		
7.000%, 5-1-26 (E)	1,217	1,219
Icahn Enterprises L.P. and Icahn Enterprises Finance Corp.:		
6.250%, 2-1-22	771	790
6.375%, 12-15-25	257	258
Industrial and Commercial Bank of China Ltd.		
2.957%, 11-8-22	750	721
JPMorgan Chase & Co.		
3.540%, 5-1-28	1,750	1,669
KeyBank N.A.		
2.500%, 12-15-19	1,000	995
Liberty Mutual Holding Co., Inc.		
7.800%, 3-15-37 (E)	999	1,169
MetLife, Inc.		
10.750%, 8-1-39	530	814
National Australia Bank Ltd.		
3.625%, 6-20-23	1,500	1,492
New Cotai LLC and New Cotai Capital Corp. (10.625% Cash or 10.625% PIK)		
10.625%, 5-1-19 (E)(I)	3,173	3,109
NFP Corp.		
6.875%, 7-15-25 (E)	2,296	2,296
Novae Group plc (3-Month U.S. LIBOR plus 405 bps)		
6.364%, 6-30-34 (D)(F)	400	399
Provident Funding Associates L.P. and PFG Finance Corp.		
6.375%, 6-15-25 (E)	656	656
Quicken Loans, Inc.		
5.750%, 5-1-25 (E)	1,170	1,169
Rabobank Nederland		
2.500%, 1-19-21	750	735

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

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CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Financials (Continued)

TerraForm Global Operating LLC (GTD by Terra Form Global LLC) 6.125%, 3-1-26 (E)	\$ 1,150	\$ 1,104
TMX Finance LLC and TitleMax Finance Corp. 11.125%, 4-1-23 (E)	733	733
USIS Merger Sub, Inc. 6.875%, 5-1-25 (E)	241	240
VHF Parent LLC 6.750%, 6-15-22 (E)	186	192
Wells Fargo & Co. 4.300%, 7-22-27	1,175	1,170
Wells Fargo & Co. (3-Month U.S. LIBOR plus 377 bps) 6.104%, 3-29-49 (F)	1,350	1,368
		<u>39,739</u>

Health Care – 3.0%

AMN Healthcare, Inc. 5.125%, 10-1-24 (E)	241	233
Avantor, Inc.: 6.000%, 10-1-24 (E) 9.000%, 10-1-25 (E)	409 1,087	415 1,121
Bayer U.S. Finance II LLC 2.850%, 4-15-25 (E)	1,000	909
DaVita HealthCare Partners, Inc. 5.125%, 7-15-24	100	97
Fresenius U.S. Finance II, Inc.: 4.250%, 2-1-21 (E) 4.500%, 1-15-23 (E)	600 2,500	604 2,538
HLF Financing S.a.r.l. LLC and Herbalife International, Inc. 7.250%, 8-15-26 (E)	172	175
Jaguar Holding Co. II and Pharmaceutical Product Development LLC 6.375%, 8-1-23 (E)	500	504
Kinetic Concepts, Inc. and KCI USA, Inc. 12.500%, 11-1-21 (E)	112	123
MPH Acquisition Holdings LLC 7.125%, 6-1-24 (E)	482	501
Surgery Center Holdings, Inc. 8.875%, 4-15-21 (C)(E)	948	987
Universal Hospital Services, Inc. 7.625%, 8-15-20	1,610	1,616
Valeant Pharmaceuticals International, Inc.: 5.500%, 3-1-23 (E) 5.500%, 11-1-25 (E) 9.000%, 12-15-25 (E) 9.250%, 4-1-26 (E) 8.500%, 1-31-27 (E)	26 240 167 488 367	25 240 180 526 385
Verscend Holding Corp. 9.750%, 8-15-26 (E)	1,916	1,976
VPII Escrow Corp. 7.500%, 7-15-21 (E)	768	782
VRX Escrow Corp.: 5.875%, 5-15-23 (E) 6.125%, 4-15-25 (E)	423 419	411 398
		<u>14,746</u>

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Industrials – 2.6%

Ahern Rentals, Inc. 7.375%, 5-15-23 (E)	\$ 770	\$ 758
Azul Investments LLP 5.875%, 10-26-24 (E)	1,350	1,168
BAE Systems Holdings, Inc.: 6.375%, 6-1-19 (E) 2.850%, 12-15-20 (E)	750 344	766 340
Diamond (BC) B.V. 5.625%, 8-15-25 (G)	EUR 200	217
JELD-WEN, Inc. 4.625%, 12-15-25 (E)	\$ 500	461
KLX, Inc. 5.875%, 12-1-22 (E)	1,620	1,674
Lockheed Martin Corp. 2.500%, 11-23-20	1,695	1,671
Prime Security Services Borrower LLC 9.250%, 5-15-23 (E)	1,692	1,810
Standard Industries, Inc. 5.500%, 2-15-23 (E)	364	368
Summit Materials LLC and Summit Materials Finance Corp. 6.125%, 7-15-23	172	174
TransDigm UK Holdings plc 6.875%, 5-15-26 (E)	413	424
TransDigm, Inc. (GTD by TransDigm Group, Inc.): 6.000%, 7-15-22 6.500%, 7-15-24 6.500%, 5-15-25 6.375%, 6-15-26	1,150 1,372 215 287	1,169 1,405 219 290
United Rentals (North America), Inc. (GTD by United Rentals, Inc.) 5.875%, 9-15-26	151	155
Waste Pro USA, Inc. 5.500%, 2-15-26 (E)	94	92
WESCO Distribution, Inc. (GTD by WESCO International, Inc.) 5.375%, 6-15-24	114	113
		<u>13,274</u>
Information Technology – 1.7%		
Alliance Data Systems Corp. 5.375%, 8-1-22 (E)	1,444	1,455
Cardtronics, Inc. and Cardtronics USA, Inc. 5.500%, 5-1-25 (E)	158	151
Infor (U.S.), Inc. 5.750%, 5-15-22 (G)	EUR 100	118
Infor Software Parent LLC and Infor Software Parent, Inc. (7.125% Cash or 7.875% PIK) 7.125%, 5-1-21 (E)(I)	\$ 225	227
Italics Merger Sub, Inc. 7.125%, 7-15-23 (E)	2,231	2,283
j2 Cloud Services LLC and j2 Global, Inc. 6.000%, 7-15-25 (E)	270	277
NCR Escrow Corp. 6.375%, 12-15-23	965	983
Orbcomm, Inc. 8.000%, 4-1-24 (E)	867	919

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Information Technology (Continued)

Pioneer Holding Corp. 9.000%, 11-1-22 (E)	\$ 713	\$ 736
Riverbed Technology, Inc. and Project Homestake Merger Corp. 8.875%, 3-1-23 (E)	1,309	1,234
Vantiv LLC and Vantiv Issuer Corp. 4.375%, 11-15-25 (E)	500	475
		<u>8,858</u>
Materials – 1.2%		
American Greetings Corp. 8.750%, 4-15-25 (E)	1,201	1,141
CEMEX Finance LLC 6.000%, 4-1-24 (E)	1,500	1,545
Flex Acquisition Co., Inc. 6.875%, 1-15-25 (E)	130	124
Hillman Group, Inc. (The) 6.375%, 7-15-22 (E)	1,470	1,323
Ingevity Corp. 4.500%, 2-1-26 (E)	366	349
Kraton Polymers LLC and Kraton Polymers Capital Corp. 7.000%, 4-15-25 (E)	210	216
Novelis Corp. (GTD by Novelis, Inc.): 6.250%, 8-15-24 (E) 5.875%, 9-30-26 (E)	447 137	456 133
Pinnacle Operating Corp. 9.000%, 5-15-23 (E)	560	499
Reynolds Group Issuer, Inc., Reynolds Group Issuer LLC and Reynolds Group Issuer (Luxembourg) S.A. 5.125%, 7-15-23 (E)	260	259
Valvoline Finco Two LLC 5.500%, 7-15-24	150	150
		<u>6,195</u>
Real Estate – 0.7%		
Aircastle Ltd. 4.400%, 9-25-23	1,100	1,100
American Tower Corp. 3.400%, 2-15-19	600	601
Crown Castle International Corp. 3.700%, 6-15-26	1,500	1,433
iStar Financial, Inc., Convertible 6.500%, 7-1-21	125	128
iStar, Inc., Convertible 3.125%, 9-15-22	486	472
		<u>3,734</u>
Telecommunication Services – 2.0%		
Consolidated Communications Finance II Co. 6.500%, 10-1-22	1,016	960
Frontier Communications Corp.: 6.875%, 1-15-25 11.000%, 9-15-25 (C) 8.500%, 4-1-26 (E)	1,026 1,751 611	624 1,365 577
GCI, Inc. 6.875%, 4-15-25	1,075	1,112
Olympus Merger Sub, Inc. 8.500%, 10-15-25 (E)	2,969	2,724

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

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CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Telecommunication Services (Continued)		
Sprint Corp.:		
7.250%, 9-15-21	\$ 1,239	\$ 1,309
7.875%, 9-15-23	724	780
7.125%, 6-15-24	500	519
7.625%, 3-1-26	367	388
Sprint Nextel Corp.		
11.500%, 11-15-21	126	148
		<u>10,506</u>
Utilities – 0.8%		
Great Plains Energy, Inc.		
4.850%, 6-1-21	1,500	1,532
Pattern Energy Group, Inc., Convertible		
4.000%, 7-15-20	279	279
PSEG Power LLC (GTD by Nuclear, Fossil and ER&T)		
2.450%, 11-15-18	1,250	1,250
Sempra Energy		
2.850%, 11-15-20	500	494
		<u>3,555</u>
Total United States – 32.0%		161,722

TOTAL CORPORATE DEBT SECURITIES – 58.5%

\$296,297

(Cost: \$300,219)

MORTGAGE-BACKED SECURITIES

Cayman Islands – 0.2%		
ALM Loan Funding VII R-2 Ltd., Series 2013-7R2A, Class DR2 (3-Month U.S. LIBOR plus 600 bps)		
8.373%, 10-15-27 (E)(F)	1,000	997
Highbridge Loan Management Ltd., Series 2014-4A, Class DR (3-Month U.S. LIBOR plus 555 bps)		
7.889%, 1-28-30 (E)(F)	250	244
		<u>1,241</u>
United States – 1.7%		
Ashford Hospitality Trust, Series 2018-ASHF, ClassF (1-Month U.S. LIBOR plus 410 bps)		
6.258%, 4-15-35 (E)(F)	600	602
Atrium Hotel Portfolio Trust, Series 2017-ATRM, Class F (1-Month U.S. LIBOR plus 420 bps)		
6.358%, 12-15-36 (E)(F)	400	402
Barclays Commercial Mortgage Securities LLC, Commercial Mortgage Pass-Through Certificates, Series 2017-GLKS (1-Month U.S. LIBOR plus 370 bps)		
5.858%, 11-15-34 (E)(F)	700	700

MORTGAGE-BACKED SECURITIES

(Continued)	Principal	Value
United States (Continued)		
Consumer Loan Underlying Bond		
Credit Trust, Series 2017-P1, Class C (Mortgage spread to 3-year U.S. Treasury index)		
5.020%, 9-15-23 (E)(F)	\$ 1,000	\$ 997
Marlette Funding Trust, Series 2017-2A, Class C		
4.580%, 7-15-24 (E)	450	451
Northwoods Capital XIV Ltd. and Northwoods Capital XIV LLC, Series 2014-14A, Class D (3-Month U.S. LIBOR plus 395 bps)		
6.288%, 11-12-25 (E)(F)	800	800
Northwoods Capital XIV Ltd. and Northwoods Capital XIV LLC, Series 2014A, Class E (3-Month U.S. LIBOR plus 535 bps)		
7.688%, 11-12-25 (E)(F)	800	797
PNMAC GMSR Issuer Trust, Series 2018-GT1 (1-Month U.S. LIBOR plus 285 bps)		
5.066%, 2-25-23 (E)(F)	2,000	2,023
Waldorf Astoria Boca Raton Trust, Commercial Mortgage Pass- Through Certificates, Series 2016-BOCA, Class F (1-Month U.S. LIBOR plus 550 bps)		
7.658%, 6-15-29 (E)(F)	1,500	1,504
		<u>8,276</u>

TOTAL MORTGAGE-BACKED SECURITIES – 1.9%

\$ 9,517

(Cost: \$9,465)

OTHER GOVERNMENT SECURITIES (J)

Argentina – 0.9%		
Aeropuertos Argentina 2000 S.A. 6.875%, 2-1-27 (E)	625	601
Republic of Argentina 6.875%, 4-22-21	3,100	2,962
Republic of Argentina 5.625%, 1-26-22	1,000	902
		<u>4,465</u>
Brazil – 1.6%		
Banco Nacional de Desenvolvimento Economico e Social		
4.750%, 5-9-24 (E)	1,900	1,829
Federative Republic of Brazil 4.875%, 1-22-21	6,100	6,170
		<u>7,999</u>
Columbia – 0.5%		
Republic of Colombia 4.375%, 7-12-21	2,600	2,647

OTHER GOVERNMENT

SECURITIES (J) (Continued)	Principal	Value
Indonesia – 1.8%		
Republic of Indonesia:		
3.750%, 4-25-22 (E)	\$ 6,000	\$ 5,951
2.950%, 1-11-23	3,300	3,152
		<u>9,103</u>
Luxembourg – 0.4%		
Amigo Luxembourg S.A. 7.625%, 1-15-24 (G)	GBP 100	130
Rumo Luxembourg S.a.r.l. 7.375%, 2-9-24 (E)	\$ 1,750	1,788
		<u>1,918</u>
Mexico – 0.5%		
United Mexican States 3.625%, 3-15-22	2,500	2,505
Peru – 0.4%		
Union Andina de Cementos S.A. 5.875%, 10-30-21 (E)	2,000	2,047
Poland – 1.3%		
Republic of Poland 5.125%, 4-21-21	6,000	6,273
Qatar – 0.8%		
Qatar Government Bond 2.375%, 6-2-21 (E)	4,000	3,888
Saudi Arabia – 0.3%		
Saudi Arabia Government Bond 2.375%, 10-26-21 (E)	1,500	1,447
Turkey – 0.6%		
Turkey Government Bond:		
5.125%, 3-25-22	2,600	2,468
6.250%, 9-26-22	300	294
		<u>2,762</u>
Venezuela – 0.3%		
Corporacion Andina de Fomento 4.375%, 6-15-22	1,500	1,539
TOTAL OTHER GOVERNMENT SECURITIES – 9.4%		\$46,593
(Cost: \$47,989)		

LOANS (F)

Canada		
Consumer Discretionary – 0.2%		
KIK Custom Products, Inc. (ICE LIBOR plus 400 bps)		
6.242%, 5-15-23	850	845

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value
Industrials – 0.0%			Ireland			Materials (Continued)		
Garda World Security Corp. (ICE LIBOR plus 400 bps):			Financials – 0.1%			Starfruit Finco B.V.		
5.821%, 5–26–24	\$ 190	\$ 190	ION Trading Finance Ltd. (ICE LIBOR plus 400 bps)			0.000%, 9–20–25 (G)(K)	EUR 316	\$ 369
7.500%, 5–26–24	—*	1	6.386%, 11–21–24	\$ 280	\$ 279			944
		191						
Total Canada – 0.2%		1,036	Total Ireland – 0.1%		279	Total Netherlands – 0.4%		1,775
Cayman Islands			Isle Of Man			Sweden		
Industrials – 0.1%			Consumer Discretionary – 0.1%			Industrials – 0.1%		
Agro Merchants Intermediate Holdings L.P. (ICE LIBOR plus 375 bps)			GVC Holdings plc (ICE LIBOR plus 250 bps)			Verisure Holding AB (3-Month EURIBOR plus 300 bps)		
6.136%, 12–6–24	248	249	4.742%, 3–16–24	249	250	3.000%, 10–21–22 (G)	260	301
Total Cayman Islands – 0.1%		249	Total Isle Of Man – 0.1%		250	Total Sweden – 0.1%		301
Denmark			Luxembourg			United Kingdom		
Telecommunication Services – 0.1%			Financials – 0.1%			Consumer Discretionary – 0.2%		
TDC A/S (ICE LIBOR plus 350 bps)			Auris Luxembourg III S.a.r.l.			Belmond Interfin Ltd. (3-Month EURIBOR plus 300 bps)		
5.839%, 6–11–25	250	252	0.000%, 7–24–25 (G)(K)	EUR475	557	3.000%, 7–3–24 (G)	494	573
						Eagle Bidco Ltd. (ICE LIBOR plus 475 bps)		
Total Denmark – 0.1%		252	Health Care – 0.0%			5.473%, 5–6–22 (G)	GBP500	649
Euro			AI Sirona (Luxembourg) Acquisition S.a.r.l.					1,222
Financials – 0.1%			0.000%, 7–10–25 (G)(K)	GBP 120	156	Health Care – 0.1%		
Jade Germany GmbH (3-Month EURIBOR plus 475 bps)			AI Sirona (Luxembourg) Acquisition S.a.r.l. (3-Month EURIBOR plus 400 bps)			Elysium Healthcare Holdings 3 Ltd. (ICE LIBOR plus 375 bps)		
5.750%, 5–31–23 (G)	EUR 494	572	0.000%, 7–10–25 (G)(K)	EUR 133	155	5.975%, 4–4–25 (G)	44	56
					311	Elysium Healthcare Holdings 3 Ltd. (ICE LIBOR plus 525 bps)		
Total Euro – 0.1%		572	Information Technology – 0.0%			5.975%, 4–4–25 (G)	456	585
France			SS&C Technologies Holdings, Inc. (ICE LIBOR plus 250 bps)					641
Health Care – 0.4%			4.492%, 4–16–25	\$ 63	63	Total United Kingdom – 0.3%		1,863
Ceva Sante Animale (3-Month EURIBOR plus 300 bps)			Materials – 0.1%			United States		
3.000%, 6–30–21 (G)	436	508	SK Spice Holdings S.a.r.l. (3-Month ICE LIBOR plus 425 bps)			Consumer Discretionary – 3.8%		
HomeVi SAS (3-Month EURIBOR plus 325 bps)			6.583%, 7–11–24	351	351	Academy Sports + Outdoors (ICE LIBOR plus 400 bps):		
3.250%, 10–30–24 (G)	500	584				6.104%, 7–2–22	\$ 176	136
Laboratoire BIOLAM LCD (3-Month EURIBOR plus 350 bps)			Total Luxembourg – 0.2%		1,282	Advantage Sales & Marketing, Inc. (ICE LIBOR plus 325 bps)		
3.500%, 6–14–24 (G)	500	579	Netherlands			5.492%, 7–25–21 (B)	404	372
Sebia S.A. (3-Month EURIBOR plus 300 bps)			Financials – 0.2%			Advantage Sales & Marketing, Inc. (ICE LIBOR plus 650 bps)		
3.000%, 10–24–24 (G)	300	347	BCPE Max Dutch Bidco B.V.			8.742%, 7–25–22	563	472
		2,018	0.000%, 9–19–25 (G)(K)	EUR 213	249	Apro LLC (ICE LIBOR plus 400 bps)		
Total France – 0.4%		2,018	Fugue Finance B.V. (3-Month EURIBOR plus 325 bps)			6.200%, 8–8–24	250	251
Germany			3.250%, 6–26–24 (G)	500	582	Asurion LLC (ICE LIBOR plus 300 bps)		
Consumer Staples – 0.1%					831	5.242%, 11–3–24	485	488
Douglas Holding AG (3-Month EURIBOR plus 325 bps)			Materials – 0.2%			Asurion LLC (ICE LIBOR plus 600 bps)		
3.250%, 8–13–22 (G)	313	278	Caldic B.V. (3-Month EURIBOR plus 325 bps)			8.742%, 8–4–25	731	751
			3.000%, 7–18–24 (G)	500	575	BARBRI, Inc. (ICE LIBOR plus 425 bps)		
Total Germany – 0.1%		278				6.354%, 12–1–23	228	228
						Caliber Collision Centers, Inc. (ICE LIBOR plus 300 bps)		
						5.242%, 2–1–24	211	212

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value
Consumer Discretionary (Continued)			Consumer Discretionary (Continued)			Consumer Staples (Continued)		
Charter Communications Operating LLC (ICE LIBOR plus 200 bps)			Nexstar Broadcasting Group, Inc. (ICE LIBOR plus 300 bps)			7.000%, 4-6-24	\$ 1	\$ 1
4.250%, 4-30-25	\$ 248	\$ 248	4.604%, 1-17-24	\$ 19	\$ 19	5.136%, 4-6-24	5	4
CIF Times Square Mezz 1 LLC and CPTS Hotel Lessee Mezz 1 LLC (1-Month U.S. LIBOR plus 600 bps)			NPC International, Inc. (ICE LIBOR plus 350 bps)			Post Holdings, Inc. (ICE LIBOR plus 225 bps)		
8.133%, 5-9-20	66	66	5.576%, 4-20-24	148	148	4.220%, 5-24-24	229	229
Cosmopolitan of Las Vegas (The) (1-Month U.S. LIBOR plus 525 bps)			NPC International, Inc. (ICE LIBOR plus 750 bps)			Prestige Brands, Inc. (ICE LIBOR plus 200 bps)		
7.409%, 11-9-19	800	808	9.576%, 4-18-25	616	621	4.242%, 1-26-24	133	133
CSC Holdings LLC (ICE LIBOR plus 225 bps)			Penn National Gaming, Inc. 0.000%, 8-15-25 (K)	250	251	Sigma U.S. Corp. (ICE LIBOR plus 300 bps)		
4.408%, 7-17-25	212	212	Penn National Gaming, Inc. (ICE LIBOR plus 250 bps)			5.114%, 7-2-25	250	250
Eircom Finco S.a.r.l. (3-Month EURIBOR plus 325 bps)			4.742%, 1-19-24	129	129	Wellness Merger Sub, Inc. (ICE LIBOR plus 475 bps)		
3.250%, 4-18-24 (G)	EUR 250	291	PETCO Animal Supplies, Inc. (ICE LIBOR plus 325 bps)			7.029%, 6-30-24	183	183
Equinox Holdings, Inc. (ICE LIBOR plus 300 bps)			5.592%, 1-26-23	260	210			<u>1,204</u>
5.242%, 3-8-24	\$ 212	213	PetSmart, Inc. 0.000%, 3-11-22 (K)	15	13	Energy – 0.8%		
frontdoor, Inc. (ICE LIBOR plus 250 bps)			PetSmart, Inc. (3-Month ICE LIBOR plus 300 bps)			Bowie Resources Holdings LLC (ICE LIBOR plus 1,075 bps)		
4.750%, 8-16-25	250	251	5.120%, 3-11-22	1,190	1,037	12.992%, 2-16-21	266	252
Hotel del Coronado (1-Month U.S. LIBOR plus 500 bps)			Recorded Books, Inc. (ICE LIBOR plus 450 bps)			Bowie Resources Holdings LLC (ICE LIBOR plus 575 bps)		
7.159%, 8-9-19	120	120	6.886%, 8-31-25 (B)	221	223	7.992%, 8-12-20	1,096	1,076
Hudson Delano Senior Mezz LLC (1-Month U.S. LIBOR plus 650 bps)			Rough Country LLC (ICE LIBOR plus 375 bps)			California Resources Corp. (ICE LIBOR plus 475 bps)		
8.659%, 2-9-20	1,300	1,311	5.826%, 5-25-23 (B)	249	249	6.962%, 12-31-22	376	381
International Cruise & Excursion Gallery, Inc. (ICE LIBOR plus 525 bps)			SIWF Holdings, Inc. (ICE LIBOR plus 425 bps)			EG America LLC (ICE LIBOR plus 400 bps)		
7.492%, 6-8-25	200	196	6.408%, 6-15-25 (B)	732	737	6.386%, 2-6-25	249	249
J. Crew Group, Inc. (ICE LIBOR plus 322 bps)			Talbots, Inc. (The) (ICE LIBOR plus 450 bps)			Foresight Energy LLC (ICE LIBOR plus 725 bps)		
5.450%, 3-5-21	130	118	7.642%, 3-19-20	834	816	7.992%, 3-28-22	1,625	1,622
5.462%, 3-5-21	93	84	Talbots, Inc. (The) (ICE LIBOR plus 850 bps)			Oryx Southern Delaware Holdings LLC (ICE LIBOR plus 325 bps)		
5.606%, 3-5-21	342	311	10.742%, 3-19-21	391	378	5.492%, 2-28-25	249	245
J.C. Penney Co., Inc. (ICE LIBOR plus 425 bps)			Times Square JV LLC and CPTS Hotel Lessee LLC (1-Month U.S. LIBOR plus 600 bps)			Westmoreland Coal Co. 0.000%, 5-22-19 (K)	37	37
6.567%, 6-23-23	247	227	8.133%, 5-9-20	550	550	Westmoreland Coal Co. (3-Month U.S. LIBOR plus 825 bps)		
Jo-Ann Stores, Inc. (ICE LIBOR plus 500 bps)			Travel Leaders Group LLC (ICE LIBOR plus 400 bps)			10.562%, 5-22-19	165	164
7.509%, 10-16-23	700	703	6.158%, 1-25-24	351	355	Westmoreland Coal Co. (ICE LIBOR plus 650 bps)		
Jo-Ann Stores, Inc. (ICE LIBOR plus 925 bps)			TRLG Intermediate Holdings LLC 10.000%, 10-27-22	148	143	8.834%, 12-16-20 (L)	982	260
11.432%, 5-21-24	1,074	1,060	Univision Communications, Inc. (ICE LIBOR plus 275 bps)					<u>4,286</u>
Laureate Education, Inc. (ICE LIBOR plus 350 bps)			4.992%, 3-15-24	309	301	Financials – 2.0%		
5.742%, 4-26-24	1,519	1,525	Winter Park Intermediate, Inc. (ICE LIBOR plus 475 bps)			Alliant Holdings Intermediate LLC (ICE LIBOR plus 300 bps)		
Liberty Cablevision of Puerto Rico LLC (ICE LIBOR plus 350 bps)			6.870%, 4-4-25	250	246	5.148%, 5-10-25	36	36
5.839%, 1-7-22	18	18				AqGen Ascensus, Inc. 0.000%, 12-3-22 (B)(K)	31	32
Mister Car Wash Holdings, Inc. (ICE LIBOR plus 400 bps)					<u>18,233</u>	AqGen Ascensus, Inc. (ICE LIBOR plus 350 bps)		
5.544%, 8-21-21	386	388	Consumer Staples – 0.3%			5.886%, 12-3-22 (B)	20	20
MLN U.S. Holdco LLC:			Dairyland USA Corp. (ICE LIBOR plus 400 bps)			AqGen Ascensus, Inc. (ICE LIBOR plus 350 bps)		
0.000%, 7-13-25 (K)	366	369	6.080%, 6-22-22	199	200	5.886%, 12-3-22	470	471
0.000%, 7-13-26 (K)	244	241	Dole Food Co., Inc. (ICE LIBOR plus 300 bps)			Aretec Group, Inc. 0.000%, 8-15-25 (B)(K)	250	252
Nexstar Broadcasting Group, Inc. (ICE LIBOR plus 250 bps)			4.883%, 4-6-24	68	68	Edelman Financial Holdings II, Inc. (ICE LIBOR plus 675 bps)		
4.604%, 1-17-24	137	137	4.992%, 4-6-24	136	136	9.092%, 7-20-26 (B)	780	796

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value
Financials (Continued)			Health Care (Continued)			Health Care (Continued)		
EG Finco Ltd. (ICE LIBOR plus 475 bps)			Covenant Surgical Partners, Inc.			WW Medical and Healthcare		
5.550%, 2–6–25 (G)	GBP 498	\$ 647	(3-Month ICE LIBOR plus 475 bps)			Holdings Corp. (ICE LIBOR plus		
Financial & Risk U.S. Holdings, Inc.:			6.842%, 9–29–24 (B)	\$ 10	\$ 10	375 bps)		
0.000%, 10–1–25 (K)	\$ 480	518	Covenant Surgical Partners, Inc. (ICE			5.992%, 11–2–24	\$ 249	\$ 250
HarbourVest Partners LLC (ICE LIBOR			LIBOR plus 475 bps):					10,926
plus 225 bps)			6.886%, 9–29–24 (B)	23	23			
4.408%, 3–1–25 (B)	245	245	6.843%, 9–29–24 (B)	191	191	Industrials – 2.3%		
Hub International Ltd. (ICE LIBOR plus			6.821%, 9–29–24 (B)	19	19	APCO Holdings, Inc. (ICE LIBOR plus		
300 bps)			6.848%, 9–29–24 (B)	5	5	550 bps)		
5.335%, 4–25–25	304	304	Envision Healthcare Corp.			7.750%, 6–8–25 (B)	193	194
Hudson River Trading LLC (ICE LIBOR			0.000%, 9–28–25 (K)	250	249	Brookfield WEC Holdings, Inc. (ICE		
plus 425 bps)			Ethypharm (ICE LIBOR plus 475 bps)			LIBOR plus 375 bps)		
6.326%, 4–3–25 (B)	424	426	5.424%, 7–21–23 (G)	GBP500	653	5.992%, 8–1–25	250	253
INEOS U.S. Finance LLC (ICE LIBOR			Exactech, Inc. (ICE LIBOR plus 375			C.H.I. Overhead Doors, Inc. (ICE		
plus 200 bps)			bps)			LIBOR plus 375 bps)		
4.386%, 3–31–24	248	248	5.992%, 2–14–25	\$ 249	249	5.492%, 7–31–22	441	442
Jane Street Group LLC (ICE LIBOR plus			Gentiva Health Services, Inc. (ICE			Chill Merger Sub, Inc. (ICE LIBOR plus		
375 bps)			LIBOR plus 375 bps)			350 bps)		
5.992%, 8–25–22	2,094	2,100	6.000%, 7–2–25 (B)	1,428	1,444	5.742%, 3–20–24	225	225
MA FinanceCo. LLC (ICE LIBOR plus			Gentiva Health Services, Inc. (ICE			Diamond (BC) B.V. (ICE LIBOR plus		
275 bps)			LIBOR plus 700 bps)			300 bps)		
4.742%, 6–21–24	38	38	9.375%, 7–2–26	365	374	5.242%, 9–6–24	248	243
Mayfield Agency Borrower, Inc. (ICE			Hanger, Inc. (ICE LIBOR plus 350 bps)			Dynacast International LLC (ICE		
LIBOR plus 450 bps)			5.742%, 3–6–25 (B)	249	248	LIBOR plus 850 bps)		
6.742%, 2–28–25 (B)	1,895	1,905	Heartland Dental LLC			10.886%, 1–30–23 (B)	683	673
Mayfield Agency Borrower, Inc. (ICE			0.000%, 4–30–25 (K)	119	119	Fastener Acquisition, Inc. (ICE LIBOR		
LIBOR plus 850 bps)			Heartland Dental LLC (ICE LIBOR plus			plus 425 bps):		
10.742%, 2–28–26 (B)	545	537	375 bps)			6.492%, 3–28–25	106	106
NFP Corp. (ICE LIBOR plus 300 bps)			5.992%, 4–30–25	791	791	6.636%, 3–28–25	142	143
5.242%, 1–8–24	361	361	LifeScan Global Corp.			MB Aerospace Holdings II Corp. (ICE		
Ocean Bidco, Inc. (ICE LIBOR plus 500			0.000%, 6–19–25 (B)(K)	122	117	LIBOR plus 350 bps)		
bps)			LSCS Holdings, Inc.			5.742%, 1–22–25	248	249
7.386%, 3–21–25	246	247	0.000%, 3–9–25 (B)(K)	1	1	McDermott Technology (Americas),		
TransUnion (ICE LIBOR plus 200 bps)			LSCS Holdings, Inc. (ICE LIBOR plus			Inc. (ICE LIBOR plus 500 bps)		
4.242%, 4–9–23	138	138	425 bps):			7.242%, 5–10–25	1,514	1,535
		9,321	6.563%, 3–9–25 (B)	116	116	MRO Holdings, Inc. (ICE LIBOR plus		
Health Care – 2.3%			6.636%, 3–9–25 (B)	42	41	525 bps)		
Anneal Pharmaceuticals LLC (ICE			6.751%, 3–9–25 (B)	42	41	7.632%, 10–25–23 (B)	496	499
LIBOR plus 350 bps)			6.384%, 3–9–25 (B)	10	10	Packers Holdings LLC (ICE LIBOR		
5.750%, 5–4–25	249	251	Patterson Medical Holdings, Inc. (ICE			plus 325 bps)		
ATI Holdings Acquisition, Inc. (ICE			LIBOR plus 475 bps)			5.383%, 12–4–24	248	248
LIBOR plus 350 bps)			7.092%, 8–28–22 (B)	248	238	PAE Holding Corp. (ICE LIBOR plus		
5.648%, 5–10–23 (B)	247	248	QuintilesIMS, Inc. (3-Month EURIBOR			550 bps)		
Avantor, Inc. (3-Month EURIBOR plus			plus 200 bps)			7.886%, 10–20–22	1,469	1,471
425 bps)			2.750%, 3–7–24 (G)	EUR246	285	PAE Holding Corp. (ICE LIBOR plus		
4.250%, 11–22–24 (G)	EUR 298	348	SavaSeniorCare LLC (1-Month U.S.			950 bps)		
Avantor, Inc. (ICE LIBOR plus 400 bps)			LIBOR plus 730 bps)			11.886%, 10–20–23	134	134
6.242%, 11–22–24	\$ 43	44	9.459%, 10–11–18	\$ 1,073	1,075	PT Holdings LLC (ICE LIBOR plus 400		
BioClinica Holding I L.P. (ICE LIBOR			Schumacher Group (ICE LIBOR plus			bps)		
plus 425 bps)			400 bps)			6.386%, 12–7–24	404	404
6.625%, 10–20–23	147	140	6.076%, 7–31–22 (B)	276	279	SH 130 Concession Co. LLC (3-Month		
BW NHC Holdco, Inc. (ICE LIBOR plus			Syneos Health, Inc. (ICE LIBOR plus			ICE LIBOR plus 287.5 bps)		
500 bps)			200 bps)			5.117%, 6–5–20	605	607
7.158%, 5–15–25	249	245	4.242%, 8–1–24	195	196	SMI Acquisition, Inc. (ICE LIBOR plus		
CHG PPC Parent LLC (ICE LIBOR plus			Team Health Holdings, Inc. (ICE			375 bps)		
275 bps)			LIBOR plus 275 bps)			6.094%, 11–1–24	248	236
4.992%, 1–22–25 (B)	249	249	4.992%, 2–6–24	148	144	Solera LLC and Solera Finance, Inc.		
Concordia International Corp. (ICE			UIC Merger Sub, Inc. (ICE LIBOR plus			(ICE LIBOR plus 475 bps)		
LIBOR plus 550 bps)			325 bps)			4.992%, 3–3–23	479	480
7.620%, 9–6–24	226	221	5.492%, 8–31–24	248	248	Tronair, Inc. (1-Month U.S. LIBOR plus		
			Verscend Holding Corp. (ICE LIBOR			475 bps)		
			plus 450 bps)			7.566%, 9–8–23 (B)	146	144
			6.742%, 8–27–25	1,750	1,764			

SCHEDULE OF INVESTMENTS

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value	LOANS (F) (Continued)	Principal	Value
Industrials (Continued)			Information Technology (Continued)			Materials (Continued)		
Tronair, Inc. (Prime rate plus 375 bps)			Mitchell International, Inc. (ICE LIBOR plus 725 bps)			Versum Materials, Inc. (ICE LIBOR plus 250 bps)		
7.136%, 9–8–23 (B)	\$ 1	\$ 1	9.492%, 11–30–25	\$ 400	\$ 399	4.386%, 9–29–23	\$ 225	\$ 226
U.S. Security Associates Holdings, Inc. (ICE LIBOR plus 400 bps)			NAVEX TopCo, Inc. (ICE LIBOR plus 325 bps)			W.R. Grace & Co. — Conn (ICE LIBOR plus 175 bps):		
5.742%, 7–28–23	376	376	5.370%, 8–9–25	250	250	4.136%, 4–3–25	250	251
USS Ultimate Holdings, Inc. (ICE LIBOR plus 375 bps)			Navicure, Inc. (ICE LIBOR plus 375 bps)					3,112
5.992%, 8–25–24	308	311	5.992%, 11–1–24 (B)	248	249	Real Estate — 0.7%		
USS Ultimate Holdings, Inc. (ICE LIBOR plus 775 bps)			Output Services Group, Inc. (ICE LIBOR plus 425 bps)			Access CIG LLC		
9.992%, 8–25–25	1,235	1,235	6.492%, 3–27–24	249	251	0.000%, 2–27–25 (K)	28	28
William Morris Endeavor Entertainment LLC (ICE LIBOR plus 275 bps)			Park Place Technologies LLC (ICE LIBOR plus 400 bps)			Access CIG LLC (ICE LIBOR plus 375 bps):		
5.000%, 5–29–25	186	186	6.242%, 3–29–25	249	249	5.992%, 2–27–25	255	256
YRC Worldwide, Inc. (ICE LIBOR plus 850 bps)			Parker Private Merger Sub, Inc.			Avolon TLB Borrower 1 U.S. LLC (ICE LIBOR plus 200 bps)		
10.742%, 7–26–22	521	529	0.000%, 9–17–25 (K)	250	251	4.165%, 1–15–25	224	224
Zebra Technologies Corp. (ICE LIBOR plus 175 bps)			Peak 10 Holding Corp. (ICE LIBOR plus 350 bps)			Hospitality Investors Trust, Inc.		
4.063%, 10–27–21	229	230	5.886%, 8–1–24	248	245	(1-Month U.S. LIBOR plus 650 bps)		
		11,154	Seattle Spinco, Inc. (ICE LIBOR plus 275 bps)			8.633%, 5–1–19	1,000	1,000
Information Technology — 1.3%			4.742%, 6–21–24	257	256	Inland Retail Real Estate Trust, Inc.		
Applied Systems, Inc. (ICE LIBOR plus 700 bps)			SS&C Technologies Holdings, Inc. (ICE LIBOR plus 250 bps)			(1-Month U.S. LIBOR plus 650 bps)		
9.386%, 9–19–25	384	390	4.492%, 4–16–25	163	164	8.604%, 4–1–19	1,327	1,334
CCC Information Services, Inc. (ICE LIBOR plus 675 bps)			Triple Point Group Holdings, Inc. (ICE LIBOR plus 425 bps)			Terra Millennium Corp. (ICE LIBOR plus 625 bps)		
8.992%, 3–31–25	215	216	6.636%, 7–13–20	210	186	8.500%, 10–31–22 (B)	421	422
Colorado Buyer, Inc. (ICE LIBOR plus 300 bps)			VF Holding Corp. (ICE LIBOR plus 325 bps)					3,264
9.360%, 5–1–25	414	414	5.492%, 6–4–25	250	251	Telecommunication Services — 0.9%		
DigiCert Holdings, Inc.					6,097	CenturyLink, Inc. (ICE LIBOR plus 275 bps):		
0.000%, 9–20–24 (K)	20	21	Materials — 0.7%			4.992%, 9–30–22	1,137	1,135
DigiCert Holdings, Inc. (ICE LIBOR plus 475 bps)			Associated Asphalt Partners LLC (ICE LIBOR plus 525 bps)			4.992%, 1–31–25	515	511
6.826%, 10–31–24	249	250	7.492%, 4–5–24	130	130	Level 3 Financing, Inc. (ICE LIBOR plus 225 bps)		
First Data Corp. (ICE LIBOR plus 225 bps):			Crown Americas LLC (ICE LIBOR plus 200 bps)			4.432%, 2–22–24	220	220
4.212%, 7–10–22	84	84	4.163%, 4–3–25	249	251	Securus Technologies Holdings, Inc.		
4.212%, 4–26–24	131	131	Ferro Corp. (ICE LIBOR plus 225 bps)			0.000%, 11–1–24 (K)	82	82
Flexera Software LLC			4.636%, 2–14–24	212	212	Securus Technologies Holdings, Inc. (ICE LIBOR plus 450 bps)		
0.000%, 1–25–25 (K)	40	40	Flex Acquisition Co., Inc. (ICE LIBOR plus 325 bps)			6.742%, 11–1–24	269	269
Flexera Software LLC (ICE LIBOR plus 325 bps)			5.751%, 6–22–25	250	250	Sprint Communications, Inc. (ICE LIBOR plus 250 bps)		
5.500%, 2–26–25	249	249	Hillman Group, Inc. (The):			4.750%, 2–2–24	424	425
Great Dane Merger Sub, Inc. (ICE LIBOR plus 375 bps)			0.000%, 5–31–25 (K)	839	829	West Corp. (3-Month ICE LIBOR plus 400 bps)		
5.992%, 5–21–25 (B)	605	606	HVSC Merger Sub Corp. (ICE LIBOR plus 400 bps):			6.242%, 10–10–24	1,567	1,561
HS Purchaser LLC (ICE LIBOR plus 375 bps)			6.242%, 10–28–24	178	178			4,203
5.992%, 3–29–25 (B)	249	251	6.313%, 10–28–24	88	88	Total United States — 15.1%		71,800
Inovalon Holdings, Inc. (ICE LIBOR plus 350 bps)			ILPEA Parent, Inc. (ICE LIBOR plus 550 bps)			TOTAL LOANS — 17.3%		\$81,955
5.625%, 4–2–25	250	250	7.000%, 3–2–23	391	392	(Cost: \$82,219)		
Microchip Technology, Inc. (ICE LIBOR plus 200 bps)			Starfruit U.S. Holdco LLC					
4.080%, 5–29–25	234	234	0.000%, 9–20–25 (K)	250	251			
Mitchell International, Inc. (ICE LIBOR plus 325 bps)			Styrolution Group GmbH (ICE LIBOR plus 375 bps)					
5.492%, 11–30–24	210	210	4.386%, 9–30–21	54	54			

IVY APOLLO STRATEGIC INCOME FUND *(in thousands)*

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS	Principal	Value
United States – 1.3%		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 2-year U.S. Treasury index):		
3.885%, 2–25–45 (E)(F)	\$ 500	\$ 500
3.872%, 4–25–45 (E)(F)	1,800	1,804
3.473%, 5–25–45 (E)(F)	1,185	1,185
3.684%, 8–25–45 (E)(F)	350	350
Federal Home Loan Mortgage Corp. Fixed Rate Participation Certificates		
2.500%, 6–15–39	838	818
Federal National Mortgage Association Agency REMIC/CMO:		
2.000%, 4–25–40	829	802
3.000%, 2–25–44	197	195
Federal National Mortgage Association Fixed Rate Pass- Through Certificates:		
4.490%, 5–1–19	459	460
4.646%, 7–1–20	444	450
Government National Mortgage Association Fixed Rate Pass- Through Certificates		
3.500%, 4–20–34	118	117
		<u>6,681</u>
TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 1.3%		\$6,681
(Cost: \$6.872)		

* Not shown due to rounding.

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

(B) Securities whose value was determined using significant unobservable inputs.

(C) All or a portion of securities with an aggregate value of \$9,781 are on loan.

(D)Restricted securities. At September 30, 2018, the Fund owned the following restricted securities:

Security	Acquisition Date(s)	Principal	Cost	Market Value
Novae Group plc (3-Month U.S. LIBOR plus 405 bps), 6.364%, 06–30–34	8–4–17	\$400	\$ 387	\$ 399
		Shares		
Pinnacle Agriculture Enterprises LLC	3–10–17	389	177	217
Targa Resources Corp., 9.500%	10–24–17	1	1,624	1,578
			\$2,188	\$2,194

The total value of these securities represented 0.4% of net assets at September 30, 2018.

(E) Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$241.053 or 48.3% of net assets.

(F) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Description of the reference rate and spread, if applicable, are included in the security description.

Principal Value

Principal Value

United States – 5.3%		
U.S. Treasury Bonds		
2.250%, 11–15–25	\$2,250	\$ 2,139
U.S. Treasury Notes:		
1.500%, 8–15–20	4,000	3,905
1.375%, 9–30–20	3,050	2,965
1.875%, 7–31–22	3,350	3,223
1.875%, 10–31–22	400	384
1.375%, 6–30–23	7,150	6,656
1.625%, 10–31–23	400	375
2.125%, 9–30–24	1,600	1,525
2.875%, 7–31–25	235	233
1.500%, 8–15–26	5,560	4,966
		<u>26,371</u>
TOTAL UNITED STATES GOVERNMENT		
OBLIGATIONS – 5.3%		\$26,371

SHORT-TERM SECURITIES

Commercial Paper (N) – 0.4%		
Kroger Co. (The)		
2.350%, 10–1–18	2,030	<u>2,030</u>
Master Note – 2.3%		
Toyota Motor Credit Corp. (1-Month		
U.S. LIBOR plus 15 bps)		
2.470%, 10–5–18 (M)	11,443	<u>11,443</u>

Principal	Value
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Money Market Funds – 1.5%		
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares		
2.140%, (O)(P)	\$ 7,408	<u>\$ 7,408</u>
 TOTAL SHORT-TERM SECURITIES – 4.2%		 <u>\$ 20,881</u>
(Cost: \$20,881)		
 TOTAL INVESTMENT SECURITIES – 100.9%		 <u>\$ 503,777</u>
(Cost: \$510,348)		
 LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.9)%		 <u>(4,720)</u>
 NET ASSETS – 100.0%		 <u>\$499,057</u>

SEPTEMBER 30, 2018

(G)Principal amounts are denominated in the indicated foreign currency, where applicable (EUR - Euro and GBP - British Pound).

(H)Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at September 30, 2018.

(I)Payment-in-kind bond which may pay interest in additional par and/or in cash. Rates shown are the current rate and possible payment rates.

(J)Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(K)All or a portion of this position has not settled. Full contract rates do not take effect until settlement date.

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

(M)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(N)Rate shown is the yield to maturity at September 30, 2018.

(O)Rate shown is the annualized 7-day yield at September 30, 2018.

(P)Investment made with cash collateral received from securities on loan.

The following forward foreign currency contracts were outstanding at September 30, 2018:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
British Pound	4,240	U.S. Dollar	5,629	1–31–19	JPMorgan Securities LLC	\$ 68	\$—
Euro	3,704	U.S. Dollar	4,406	1–31–19	JPMorgan Securities LLC	59	—
Euro	5,556	U.S. Dollar	7,198	9–30–21	JPMorgan Securities LLC	101	—
Euro	503	U.S. Dollar	588	10–5–18	Morgan Stanley International	4	—
						\$232	\$—

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$ 430	\$ —	\$ 68
Health Care	168	—	—
Total Common Stocks	\$ 598	\$ —	\$ 68
Investment Funds	6,703	—	—
Preferred Stocks	—	1,578	217
Asset-Backed Securities	—	6,318	—
Corporate Debt Securities	—	296,297	—
Mortgage-Backed Securities	—	9,517	—
Other Government Securities	—	46,593	—
Loans	—	69,842	12,113
United States Government Agency Obligations	—	6,681	—
United States Government Obligations	—	26,371	—
Short-Term Securities	7,408	13,473	—
Total	<u>\$14,709</u>	<u>\$476,670</u>	<u>\$12,398</u>
Forward Foreign Currency Contracts	\$ —	\$ 232	\$ —

SEPTEMBER 30, 2018

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

	Common Stocks	Preferred Stocks	Mortgage- Backed Securities	Loans
Beginning Balance 10–1–17	\$ —	\$245	\$ 1,000	\$ 5,532
Net realized gain (loss)	—	—	—	(15)
Net change in unrealized appreciation (depreciation)	60	(28)	—	66
Purchases	8	—	—	10,128
Sales	—	—	—	(2,334)
Amortization/Accretion of premium/discount	—	—	—	9
Transfers into Level 3 during the period	—	—	—	728
Transfers out of Level 3 during the period	—	—	(1,000)	(2,001)
Ending Balance 9–30–18	\$68	\$ 217	\$ —	\$ 12,113
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 9–30–18	\$60	\$ (28)	\$ —	\$ 68

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 year ended September 30, 2018, there were no transfers between Levels 1 and 2.

Information about Level 3 fair value measurements:

	Fair Value at 9–30–18	Valuation Technique(s)	Unobservable Input(s)	Input Value(s)
Assets				
Common Stocks	\$ 68	Market comparable approach	Adjusted EBITDA multiple	9.19x
Preferred Stocks	217	Market comparable approach	Adjusted EBITDA multiple	11.10x
			Illiquidity Discount	10%
Loans	12,113	Third-party vendor service	Broker quotes	N/A

Significant increases (decreases) in the adjusted revenue multiple and adjusted EBITDA multiple inputs could result in a higher (lower) fair value measurement. However, significant increases (decreases) in the illiquidity discount input could result in a lower (higher) fair value measurement.

The following acronyms are used throughout this schedule:

CLO = Collateralized Loan Obligation
CMO = Collateralized Mortgage Obligation
EURIBOR = Euro Interbank Offered Rate
GTD = Guaranteed
ICE = IntercontinentalExchange
LIBOR = London Interbank Offered Rate
PIK = Payment in kind
REMIC = Real Estate Mortgage Investment Conduit

SEPTEMBER 30, 2018

Market Sector Diversification

(as a % of net assets)

Financials	22.1%
Consumer Discretionary	15.4%
Other Government Securities	9.3%
Industrials	6.8%
Consumer Staples	6.7%
United States Government and Government Agency Obligations	6.6%
Energy	6.1%
Health Care	5.6%
Materials	5.3%
Telecommunication Services	5.0%
Information Technology	4.4%
Utilities	2.0%
Real Estate	1.4%
Other+	3.3%

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

(UNAUDITED)

Below, Michael J. Walls, portfolio manager of the Ivy California Municipal High Income Fund, discusses positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Walls has managed the Fund since October 2016 and has 20 years of industry experience.

Fiscal Year Performance

For the 12 months ended September 30, 2018

Ivy California Municipal High Income Fund (Class A shares – at net asset value)	0.89%
Ivy California Municipal High Income Fund (Class A shares including sales charges)	-3.39%
Benchmark(s) and/or Morningstar Category	
Bloomberg Barclays Municipal High Yield Index (reflects the performance of securities generally representing the municipal high yield bond market)	6.36%
Bloomberg Barclays Municipal Bond Index (reflects the performance of securities generally representing the municipal bond market)	0.35%
Lipper California Municipal Debt Funds Universe Average (generally reflects the performance of the universe of fund with similar investment objectives)	0.72%

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.

The Ivy California Municipal High Yield Fund outperformed its Lipper peer group and the Bloomberg Barclays Municipal Bond Index, but trailed the Bloomberg Barclays Municipal High Yield Index. The drivers of performance were two-fold: the long duration positioning of the Fund relative to its benchmarks and credit positioning as credit spreads tightened throughout the year. First, as the municipal market rallied in the last quarter of 2017, the Fund's modified duration was 7.27 years versus a modified duration of 6.20 years for the Bloomberg Barclays Municipal Bond Index. Secondly, the Fund invested in lower tier investment-grade credits and non-investment credits, which led to outperformance as credits spreads continued to tighten. High taxes in the state led to continued high demand for municipal bonds. Taxes along with below normal issuance led to a search for yield driving credit spreads to levels not seen since 2007.

With the rally in rates over the past fiscal year, we have become less constructive on the California high yield municipal space as new issues come to market with historically low absolute yields and weak collateral for investors. Going forward, we still believe the California municipal market is attractive versus other fixed income asset classes based on its tax-adjusted status as well as supply and demand imbalances. In our view, debt issuance for the remainder of 2018 will be higher than most estimates, but will remain lower than historical norms. We have turned more bearish on the credit market as spreads are hovering around the lows of 2007.

Duration and credit management

Funds with longer duration outperformed shorter duration funds excluding potential price movements based on credit issues. Ivy California Municipal High Income Fund had a modified adjusted duration of approximately 6.07 years versus 6.20 years for the Bloomberg Barclays Municipal Bond Index. While being long duration helped in the first quarter of the year, we have shortened the Fund's duration to less than the benchmark. At this point in the cycle we feel a shorter duration is warranted as rates are at historic lows and spreads are at very tight levels. We believe that the Fund should benefit over the long term as the Federal Reserve (Fed) begins to more aggressively raise rates. While our primary goal for the Fund is high levels of tax-exempt income, we also want to protect investors' downside risk as rates rise.

While duration management is important for any asset class, credit selection is paramount when investing in a high-yield municipal bond fund. The Fund has maintained exposure in non-rated bonds at approximately 31% and will focus on investment deals moving forward. With non-rated bond spreads at record lows, we feel it is prudent to own more liquid rated bonds in order to provide us the opportunity to exploit any credit widening. Roughly 10% of the Fund remains in cash and we intend to use the liquidity to exploit opportunities moving forward. We will look for opportunities in bonds with more defensive structures as interest rates continue to hover around historically low levels and credit spreads continue to be tight. As already noted, we feel at this time it makes sense to remain shorter duration than the benchmark as we view the sector as fully priced.

Looking ahead

Moving forward we expect one more rate hike in 2018 as inflation climbs closer to the Federal Reserve 2% threshold. We are certainly concerned how a possible trade war with both China and the European Union would affect prices and the overall global economy. We will closely monitor how tariffs might tip the Fed's hand and whether it will be forced to review current interest rate policy. With the Fund's duration at 98% of the Bloomberg Barclays Municipal High Yield Index and adequate levels of cash, we feel appropriately structured to weather the impact of a long trade war. It is important investors realize prudent managers diversify across states and sectors and always limit the amount of exposure to those variables as well as any individual bond.

We believe investors will continue to search for tax-exempt yield even after the tax legislation was passed in late 2017. We view the tax cuts as favoring lower-income brackets, but with the top tax rate of more than 50% in California, municipal bonds are still highly attractive. Although we see demand for municipal bonds staying consistent with normal levels, one big outlier would be additional issuance caused by a large infrastructure spending bill getting passed in Congress and signed by the President. We believe that supply in the municipal market will remain at normal levels, which should present opportunities for investors. In our view, municipal bonds will continue to be one of the most attractive fixed income asset classes from a relative valuation standpoint.

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.

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. 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, include reinvested dividends and do not include fees. One cannot invest directly in an index, or is an index representative of the Ivy California Municipal High Income Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	88.7%
Municipal Bonds	88.7%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	11.3%

Quality Weightings

Investment Grade	49.4%
AAA	1.5%
AA	7.6%
A	11.3%
BBB	29.0%
Non-Investment Grade	39.3%
BB	9.2%
B	2.0%
CCC	0.1%
Non-rated	28.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	11.3%

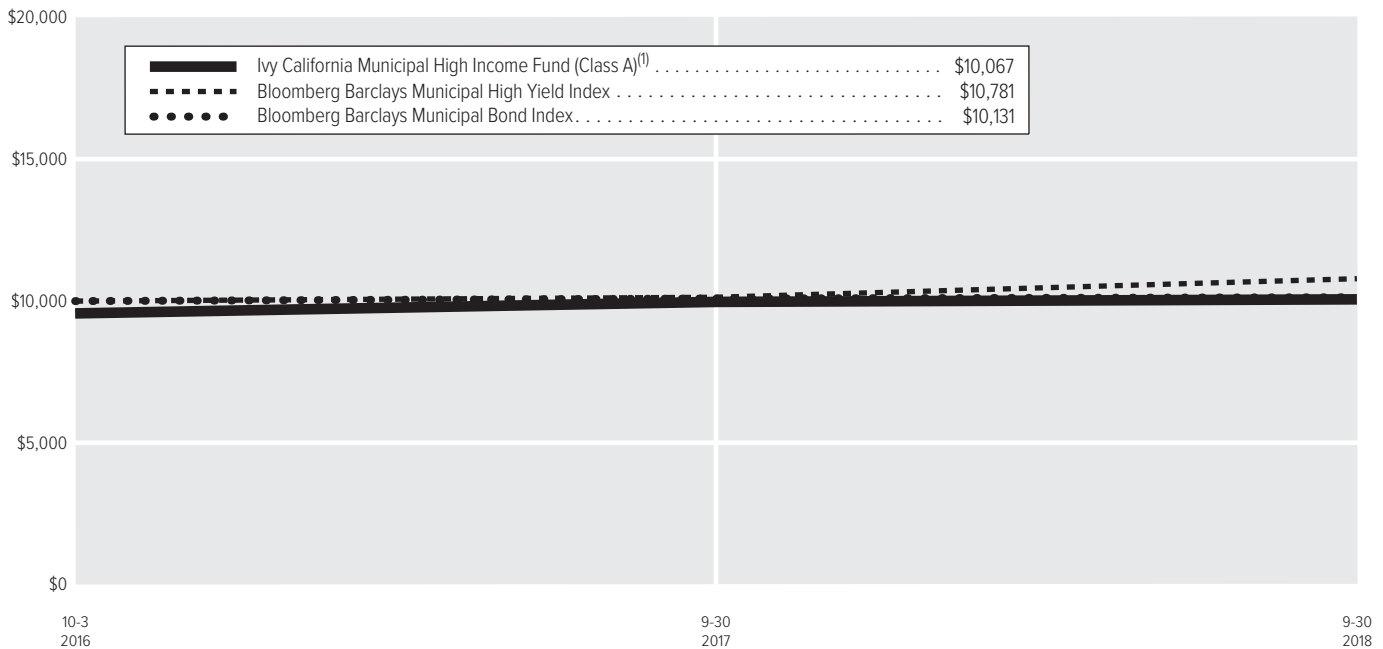
Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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 CALIFORNIA 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 C	Class I	Class Y
1-year period ended 9-30-18	-3.39%	-0.07%	1.10%	0.93%
5-year period ended 9-30-18	—	—	—	—
10-year period ended 9-30-18	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	0.34%	1.72%	2.70%	2.50%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 4.25%. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 1% (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) 10-3-16 for Class A shares, 10-3-16 for Class C shares, 10-3-16 for Class I shares and 10-3-16 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 CALIFORNIA MUNICIPAL HIGH INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

MUNICIPAL BONDS	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value
California – 86.6%			California (Continued)			California (Continued)		
CA Cnty Tob Securitization Agy, Tob Stlmt Asset-Bkd Bonds (Stanislaus Cnty Tob Funding Corp.), Ser 2006, 0.000%, 6–1–55 (A)	\$2,000	\$ 100	CA Sch Fin Auth, Charter Sch Rev Bonds (Encore Edu Oblig Group), Ser 2016A, 5.000%, 6–1–52	\$ 300	\$ 258	CA Statewide Cmnty Dev Auth, Student Hsng Rev Bonds (Univ of CA, Irvine East Campus Apts, Phase IV-A CHF – Irvine LLC), Ser 2017, 5.000%, 5–15–42	\$ 300	\$ 331
CA Edu Fac Auth, Rev Bonds (Art Ctr College of Design), Ser 2018A, 5.000%, 12–1–48	250	280	CA Sch Fin Auth, Charter Sch Rev Bonds (Larchmont Charter Sch Proj), Ser 2018A, 5.000%, 6–1–43	250	260	CA Statewide Cmnty Dev Auth, Rev Bonds (Loma Linda Univ Med Ctr), Ser 2014A, 5.250%, 12–1–44	250	268
CA Edu Fac Auth, Rev Bonds (Loma Linda Univ), Ser 2017A, 5.000%, 4–1–47	300	331	CA Sch Fin Auth, Charter Sch Rev Bonds (Rocketship Pub Sch – Oblig Group), Ser 2017G: 5.000%, 6–1–30	310	328	CA Statewide Cmnty Dev Auth, Sch Fac Rev Bonds (Alliance for College Ready Pub Sch – 47th and Main Proj), Ser 2012A, 6.375%, 7–1–47	100	108
CA Infra and Econ Dev Bank, Infra State Revolving Fund Rev Bonds, Ser 2016A, 4.000%, 10–1–19	400	409	5.000%, 6–1–37	330	342	CA Various Purp GO Bonds, 5.000%, 9–1–46	500	564
CA Muni Fin Auth, Charter Sch Lease Rev Bonds (Bella Mente Montessori Academy Proj), Ser 2018A, 5.000%, 6–1–48	325	339	CA Sch Fin Auth, Charter Sch Rev Bonds (Summit Pub Sch – Oblig Group), Ser 2017, 5.000%, 6–1–37	500	540	Chino Pub Fin Auth, Local Agy Rfdg Bonds, Ser 2016A, 3.500%, 9–1–43	250	227
CA Muni Fin Auth, Charter Sch Rev Bonds (Palmdale Aerospace Academy Proj), Ser 2018A, 5.000%, 7–1–49 (B)	300	311	CA Sch Fin Auth, Charter Sch Rev Rfdg Bonds (Aspire Pub Sch – Oblig Group), Ser 2016, 5.000%, 8–1–41	250	264	Chino, CA, Cmnty Fac Dist, Spl Tax Rev Bonds, Ser 2016–2, 5.000%, 9–1–47	150	163
CA Muni Fin Auth, Insd Rev Bonds (Channing House Proj), Ser 2017B (Insured by the CA Office of Statewide Hlth Planning and Dev), 5.000%, 5–15–24	100	115	CA Sch Fin Auth, Edu Fac Rev Bonds (River Springs Charter Sch), Ser 2017A, 5.000%, 7–1–52	340	349	Cmnty Fac Dist No. 36 of Jurupa Cmnty Svc Dist., Spl Tax Bonds, Ser 2017A: 4.125%, 9–1–42	200	203
CA Muni Fin Auth, Rev Bonds (CA Baptist Univ), Ser 2016A, 5.000%, 11–1–46	500	541	CA Sch Fin Auth, Sch Fac Rev Bonds (Alliance for College-Ready Pub Sch Proj), Ser 2015A, 5.000%, 7–1–45	100	106	4.250%, 9–1–47	300	306
CA Muni Fin Auth, Rev Bonds (CA Lutheran Univ), Ser 2018, 5.000%, 10–1–27	250	290	CA Sch Fin Auth, Sch Fac Rev Bonds (Alliance for College-Ready Pub Sch Proj), Ser 2016C, 5.000%, 7–1–31	250	272	Foothill/Eastn Trans Corridor Agy, Toll Road Rfdg Rev Bonds, Ser 2013B-1 (Insured by AGM), 3.950%, 1–15–53 (D)	300	292
CA Muni Fin Auth, Rev Bonds (Ret Hsng Fndtn Oblig Group), Ser 2017A, 5.000%, 11–15–32	425	498	CA Sch Fin Auth, Sch Fac Rev Bonds (Granada Hills Charter High Sch Oblig Group), Ser 2017A, 5.000%, 7–1–48	350	371	Golden State Tob Securitization Corp., Enhanced Tob Stlmt Asset-Bkd Bonds, Ser 2017A-1, 5.000%, 6–1–29	600	677
CA Muni Fin Auth, Rev Rfdg Bonds (Eisenhower Med Ctr), Ser 2017B: 5.000%, 7–1–37	250	272	CA Sch Fin Auth, Sch Fac Rev Bonds (Green Dot Pub Sch CA Proj), Ser 2018A, 5.000%, 8–1–48 (B)(C)	250	268	Golden State Tob Securitization Corp., Enhanced Tob Stlmt Asset-Bkd Bonds, Ser 2018A, 5.000%, 6–1–22	175	193
5.000%, 7–1–42	250	271	CA Sch Fin Auth, Sch Fac Rev Bonds (Kipp LA Proj), Ser 2017A, 5.000%, 7–1–47	300	326	Golden State Tob Securitization Corp., Tob Stlmt Asset-Bkd Bonds, Ser 2007A-2 Sr Convertible Bonds, 5.300%, 6–1–37	150	157
CA Muni Fin Auth, Sr Lien Rev Bonds (LINXS APM Proj), Ser 2018A: 4.000%, 12–31–47	250	247	CA Sch Fin Auth, Sch Fac Rev Rfdg Bonds (HTH Learning Proj), Ser 2017A, 5.000%, 7–1–49	300	318	Golden State Tob Securitization Corp., Tob Stlmt Asset-Bkd Bonds, Ser 2018A-1, 5.000%, 6–1–47	500	512
5.000%, 12–31–47	250	272	CA Statewide Cmnty Dev Auth, Rev Bonds (American Baptist Homes of the West), Ser 2015, 5.000%, 10–1–22	270	295	Golden State Tob Securitization Corp., Tob Stlmt Asset-Bkd Bonds, Ser 2018A-2, 5.000%, 6–1–47	250	256
CA Pollutn Ctl Fin Auth, Solid Waste Rfdg Rev Bonds (Republic Svc, Inc. Proj), Ser 2010A: 1.850%, 8–1–23	500	500	CA Statewide Cmnty Dev Auth, Rev Bonds (Loma Linda Univ Med Ctr), Ser 2016A, 5.250%, 12–1–56	250	267	Irvine Unif Sch Dist, Cmnty Fac Dist No. 09-1 Spl Tax Bonds, Ser 2017B (Insured by BAMAC), 5.000%, 9–1–47	150	164
1.660%, 9–1–38 (C)	250	250	CA Statewide Cmnty Dev Auth, Student Hsng Rev Bonds (Univ of CA, Irvine East Campus Apt, Phase IV-ACHF – Irvine LLC), Ser 2017, 5.000%, 5–15–47	185	203	Lammersville, CA, Joint Unif Sch Dist, Spl Tax Bonds (Lammersville Sch Dist Cmnty Fac Dist No. 2002, Mountain House), Ser 2017, 5.000%, 9–1–33	500	554
CA Pollutn Ctl Fin Auth, Water Furnishing Rev Bonds (Poseidon Res (Channelside) L.P. Desalination Proj), Ser 2012: 5.000%, 11–21–45	500	511						
CA Sch Fin Auth, Charter Sch Rev Bonds (Ace Charter Sch – Oblig Group), Ser 2016A, 5.000%, 6–1–52	300	297						

SCHEDULE OF INVESTMENTS IVY CALIFORNIA MUNICIPAL HIGH INCOME FUND *(in thousands)*

SEPTEMBER 30, 2018

MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value	MUNICIPAL BONDS (Continued)	Principal	Value
California (Continued)			California (Continued)			California (Continued)		
Long Beach Bond Fin Auth, Natural Gas Purchase Rev Bonds, Ser 2007A, 5.500%, 11-15-37	\$ 165	\$ 208	San Buenaventura Rev Bonds (Cmnty Mem Hlth Sys), Ser 2011, 7.500%, 12-1-41	\$ 100	\$ 110	Westn Riverside Water and Wastewater Fin Auth, Local Agy Rev Rfdg Bonds, Ser 2016A, 5.000%, 9-1-29	\$ 250	\$ 281
Los Angeles, CA, Dept of Arpts, Los Angeles Intl Arpt Sub Rev Bonds, Ser 2016B, 5.000%, 5-15-46	300	328	San Diego Assoc of Govts, South Bay Expressway Toll Rev First Sr Lien Bonds, Ser 2017A, 5.000%, 7-1-27	100	119	William S. Hart Union High Sch Dist, Cmnty Fac Dist No. 2015-1 Spl Tax Bonds, Ser 2017, 5.000%, 9-1-47	300	323
M-S-R Energy Auth, Gas Rev Bonds, Ser 2009C, 7.000%, 11-1-34	300	419	San Diego Cnty Rgnl Arpt Auth, Sub Arpt Rev Bonds, Ser 2017A, 5.000%, 7-1-42	200	225			24,279
Murrieta, CA, Cmnty Fac Dist No. 2005-5, Spl Tax Bonds (Golden City), Ser 2017A, 5.000%, 9-1-46	300	326	San Francisco City and Cnty Pub Util Comsn, Water Rev Bonds, Ser 2016AB, 4.000%, 11-1-39	250	259	Guam - 0.9% Guam Port Rev Bonds, Ser 2018B, 5.000%, 7-1-22	250	270
Ontario, CA, Cmnty Fac Dist No. 28, Spl Tax Bonds (New Haven Fac - Area A), Ser 2017: 5.000%, 9-1-42	130	141	San Jose, CA, Arpt Rev Rfdg Bonds, Ser 2017A, 5.000%, 3-1-47	200	219	Puerto Rico - 1.2% Cmnwlth of PR, Pub Impvt Rfdg GO Bonds, Ser 2007A-4, 5.250%, 7-1-30	135	141
5.000%, 9-1-47	230	248	San Mateo Cmnty Fac Dist No. 2008-1 (Bay Meadows), Spl Tax Bonds, Ser 2012, 6.000%, 9-1-42	250	276	PR Hwy and Trans Auth, Hwy Rev Rfdg Bonds, Ser CC: 5.250%, 7-1-32	120	136
Ontario, CA, Cmnty Fac Dist No. 31, Spl Tax Bonds (Carriage House/Amberly Lane), Ser 2017, 5.000%, 9-1-47	135	146	Southn CA Pub Power Auth, Gas Proj Rev Bonds (Proj No. 1), Ser 2007A, 5.000%, 11-1-33	295	345	5.250%, 7-1-33	50	57
Oro Grande Elem Sch Dist, Cert of Part, Ser 2013, 5.000%, 9-15-27	40	43	State Pub Works Board of CA, Lease Rev Rfdg Bonds (Dept of Edu), Ser 2017H, 5.000%, 4-1-26	300	353			334
Palamar Hlth, Rfdg Rev Bonds, Ser 2016: 4.000%, 11-1-39	175	167	Successor Agy to the Redev Agy of the City of San Jose, Tax Alloc Rfdg Bonds, Ser 2017B, 5.000%, 8-1-19	300	308	TOTAL MUNICIPAL BONDS - 88.7%		\$24,883
5.000%, 11-1-39	500	535	Successor Agy to the Redev Agy of the City of Tulare, Tax Alloc Rfdg Bonds, Ser 2017A (Insured by BAMAC), 4.000%, 8-1-40	250	253	(Cost: \$24,940)		
Palomar Hlth, Cert of Part, Ser 2017, 5.000%, 11-1-21	250	266	Tob Securitization Auth of Northn CA, Tob Stlmt Asset-Bkd Bonds (Sacramento Cnty Tob Securitization Corp.), Ser 2005A-1, 5.500%, 6-1-45	100	100	SHORT-TERM SECURITIES		
Poway Unif Sch Dist, Spl Tax Bonds (Cmnty Fac Dist No. 15 Del Sur East Impvt Area C), Ser 2016, 5.000%, 9-1-46	250	270	Tob Securitization Auth of Southn CA, Tob Stlmt Asset-Bkd Bonds (San Diego Cnty Tob Asset Securitization Corp.), Ser 2006A Sr Current Int Bonds, 5.000%, 6-1-37	280	281	Master Note - 5.0% Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10-5-18 (E)	1,394	1,394
Regents of the Univ of CA, Ltd. Proj Rev Bonds, Ser M, 5.000%, 5-15-32	300	350	Tob Securitization Auth of Southn CA, Tob Stlmt Asset-Bkd Bonds (San Diego Cnty Tob Asset Securitization Corp.), Ser 2006D, 0.000%, 6-1-46 (A)	300	38	Municipal Obligations - 7.1% CA Statewide Cmnty Dev Auth, Multifam Hsng Rev Bonds (Wyndover Apts), Ser 2004 LL (GTD by FNMA) (BVAL plus 10 bps), 1.550%, 10-7-18 (E)	900	900
Roseville, CA, Spl Tax Rev Bonds (Fiddymont Ranch Cmnty Fac Dist No. 1), Ser 2017A, 5.000%, 9-1-35	250	276	WA Township Hlth Care Dist Rev Bonds, Ser 2017A: 3.500%, 7-1-30	45	43	CO Hsng and Fin Auth, Multifam Hsng Rev Bonds (Greentree Vlg Apts Proj), Ser 2007 (GTD by U.S. Bank N.A.) (BVAL plus 24 bps), 1.630%, 10-7-18 (E)	600	600
Sacramento Cnty Watr Fin Auth, Rev Bnds (Sacramento Cnty Watr Agy Zone 40 and 41 2007 Watr Sys Proj), Ser 2007B (3-Month U.S. LIBOR*0.67 plus 55 bps), 2.105%, 6-1-34 (D)	400	387	3.750%, 7-1-31	255	252	University of California (1-Month U.S. LIBOR plus 8 bps), 2.100%, 10-7-18 (E)	500	500
Sacramento Cnty, Arpt Sys Sub Rev Rfdg Bonds, Ser 2018E, 5.000%, 7-1-35	250	289						2,000
Sacramento, CA, Spl Tax Bonds (Natamas Cent Comnty Fac), Ser 2016, 5.000%, 9-1-41	250	271				TOTAL SHORT-TERM SECURITIES - 12.1%		\$ 3,394
San Bernardino, CA, Cmnty Fac Dist No. 2006-1 (Lytle Creek North), Impvt Area No. 4 Spl Tax Bonds, Ser 2016, 4.000%, 9-1-42	250	248				(Cost: \$3,394)		
						TOTAL INVESTMENT SECURITIES - 100.8%		\$28,277
						(Cost: \$28,334)		
						LIABILITIES, NET OF CASH AND OTHER ASSETS - (0.8%)		(236)
						NET ASSETS - 100.0%		\$28,041

SEPTEMBER 30, 2018

Notes to Schedule of Investments

(A)Zero coupon bond.

(B)Purchased on a when-issued basis with settlement subsequent to September 30, 2018.

(C)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$518 or 1.8% of net assets.

(D)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Description of the reference rate and spread, if applicable, are included in the security description.

(E)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$ —	\$24,883	\$ —
Short-Term Securities	—	3,394	—
Total	<u>\$ —</u>	<u>\$28,277</u>	<u>\$ —</u>

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

AGM = Assured Guaranty Municipal

BAMAC = Build America Mutual Assurance Co.

BVAL = Bloomberg Valuation Municipal AAA Benchmark

FNMA = Federal National Mortgage Association

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Waddell & Reed Advisors (WRA) Cash Management merged into Ivy Cash Management Fund on February 26, 2018. On that date, Ivy Cash Management Fund adopted the performance of WRA Cash Management as the result of a reorganization in which it acquired all assets and liabilities of WRA Cash Management.

Below, Mira Stevovich, CFA, portfolio manager of the Ivy Cash Management Fund, discusses positioning, performance and results for the fiscal year ended September 30, 2018. She has managed the Fund for 20 years and has 31 years of industry experience.

The Fund's fiscal year ended on September 30, 2018 with short term rates higher due to four 0.25-percentage point increases by the Federal Reserve (Fed) during the fiscal year. The moves by the Fed continued the process of draining liquidity from the economy, albeit gradually. During the fiscal year, prime money market funds saw assets increase as short-term rates increased. The economy showed signs of improvement, and the Fed indicated it would increase short-term rates again by a 0.25-percentage point, perhaps as early as December 2018.

Increased rates, continued higher-quality bias

The Fund's fiscal year started with the federal funds rate between 1.00-1.25% and ended in a range of 2.00-2.25%. The Fed continued to use an interest rate band of a quarter percentage point to manage the federal funds rate. The Reverse Repo Program continued as a tool to manage the band floor. Due to a narrowing of the spread between the effective federal funds rate and the interest on excess reserves (IOER), the IOER has been set five basis points below the top of the federal interest rate band. Although there is anticipation that the Fed may increase the federal funds rate again by year-end 2018, the process will remain gradual. As a result, we will manage the Fund in a fashion based on the interest rate environment, closely monitoring any potential rate changes and adjusting investments accordingly.

The increased rates of interest during the fiscal year boosted the performance of the Fund and rates on money market investments, in general. The four rate moves by the Fed did help increase Fund performance relative to the previous year. However, the Securities and Exchange Commission (SEC) regulation requiring at least 30% of the Fund's holdings mature in five business days or less continues to affect the Fund's return because very short maturities tend to carry the lowest interest 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. Most recently, we have invested in floating rate notes based on the one- or three-month London Interbank Offered Rate (LIBOR). These notes carry an attractive rate of interest, while allowing us to maintain a modest "weighted average maturity" (WAM). As the Fed increased rates, LIBOR rates have increased. The one-month LIBOR rate began the fiscal year at 1.23333% and ended the fiscal year considerably higher at 2.26056%. The three-month LIBOR rate began the fiscal year 1.33389%, and moved upward, ending the fiscal year at 2.39838%.

Following the transformation of the money market fund industry by the final SEC regulations which became effective October 14, 2016, a substantial portion of prime fund assets converted to government money market funds. To continue attracting investors to corporate money market securities, bank rates longer than three months saw rate increases, initially. We took advantage of this situation, when possible, to increase the Fund's yield. However, over time, as short-term rates increased, some investors have moved back into prime money market funds and non-money fund investors have also moved into short-term investments. This has caused rates on these securities to decline and spreads to tighten.

Credit quality remained an important factor in the management and performance of the Fund. We are cautious in our review of the companies and securities in which we invest. We select investments that we believe to be of the highest credit quality, based on our credit risk constraints, although this higher-quality bias can hold down yield.

Staying the course

This past fiscal year, we have continued to emphasize investments of higher credit quality from a variety of industries and sectors, and we intend to continue to do so going forward. We remain selective of our investments. We intend to continue using floating-rate securities in the coming fiscal year, in anticipation of future rate increases. We also 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. The SEC added these regulations in an effort to provide money market investors with greater protection and more timely information about the funds in which they invest. To this end, we are maintaining daily and weekly liquidity levels according to the regulations. Liquidity and investing for diversification continue to be paramount in our management of the Fund. We will continue to manage the Fund in what we believe is a prudent manner and in accordance with SEC regulations.

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

Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The Fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the Fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

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.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Corporate Obligations	70.0%
Commercial Paper	33.8%
Certificate Of Deposit	16.1%
Notes	16.0%
Master Note	4.1%
United States Government and Government Agency Obligations	18.6%
Municipal Obligations	11.6%
Liabilities, Net of Cash and Other Assets	-0.2%

SCHEDULE OF INVESTMENTS

IVY CASH MANAGEMENT FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE OBLIGATIONS	Principal	Value	CORPORATE OBLIGATIONS (Continued)	Principal	Value	CORPORATE OBLIGATIONS (Continued)	Principal	Value
Certificate Of Deposit			Commercial Paper(B) (Continued)			Notes (Continued)		
Banco del Estado de Chile (1-Month U.S. LIBOR plus 29 bps),			Essilor International S.A.,			Canadian Imperial Bank of Commerce (1-Month U.S. LIBOR plus 25 bps),		
2.440%, 10-13-18 (A)	\$ 15,000	\$ 15,000	2.106%, 10-4-18	\$20,000	\$ 19,996	2.410%, 10-20-18 (A)	\$25,000	\$ 25,000
Bank of America N.A.,			J.M. Smucker Co. (The),			Canadian Imperial Bank of Commerce (1-Month U.S. LIBOR plus 33 bps),		
2.440%, 2-12-19	15,000	15,000	2.400%, 10-1-18	12,702	12,702	2.480%, 10-13-18 (A)	12,000	12,000
Bank of America N.A. (1-Month U.S. LIBOR plus 24 bps),			Kroger Co. (The),			Canadian Imperial Bank of Commerce (1-Month U.S. LIBOR plus 19 bps),		
2.380%, 10-12-18 (A)	25,000	25,000	2.350%, 10-1-18	12,700	12,700	2.350%, 10-20-18 (A)	20,000	20,000
Bank of Montreal (1-Month U.S. LIBOR plus 25 bps),			Malayan Banking Berhad (GTD by Wells Fargo Bank N.A.):			Royal Bank of Canada (3-Month U.S. LIBOR plus 13 bps),		
2.380%, 10-10-18 (A)	20,000	20,000	2.400%, 11-19-18	43,500	43,356	2.460%, 10-10-18 (A)	10,000	10,000
Bank of Montreal (Daily Federal Funds Rate plus 55 bps),			2.490%, 1-9-19	10,000	9,931	Toronto-Dominion Bank (3-Month U.S. LIBOR plus 8 bps),		
2.480%, 10-1-18 (A)	15,000	15,000	2.490%, 1-11-19	10,000	9,929	2.430%, 12-21-18 (A)	12,000	12,000
Bank of Nova Scotia (The) (1-Month U.S. LIBOR plus 20 bps),			Mondelez International, Inc.,			Total Notes – 16.0%		204,000
2.330%, 10-8-18 (A)	15,000	15,000	2.280%, 10-1-18	2,695	2,695	TOTAL CORPORATE OBLIGATIONS – 70.0%		\$ 898,747
Royal Bank of Canada (1-Month U.S. LIBOR plus 24 bps),			Northern Illinois Gas Co.:			(Cost: \$898,747)		
2.410%, 10-19-18 (A)	30,000	30,000	2.351%, 10-2-18	3,854	3,854	MUNICIPAL OBLIGATIONS		
Toronto-Dominion Bank (1-Month U.S. LIBOR plus 40 bps),			2.401%, 10-3-18	20,000	19,997	Colorado – 0.1%		
2.530%, 10-8-18 (A)	10,000	10,000	2.200%, 10-12-18	21,120	21,104	Sheridan Redev Agy CO Tax, Var		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 27 bps),			Rockwell Automation, Inc.,			Rfdg S Santa Fe Dr Corridor		
2.380%, 10-4-18 (A)	12,000	12,000	2.222%, 10-5-18	5,405	5,404	Redev PJ, Ser A-1 (GTD by		
U.S. Bank N.A. (1-Month U.S. LIBOR plus 16 bps),			Royal Bank of Canada,			JPMorgan Chase & Co.) (BVAL plus 30 bps),		
2.270%, 10-5-18 (A)	10,000	10,000	2.490%, 3-13-19	20,000	19,775	2.250%, 10-7-18 (A)	1,400	1,400
Wells Fargo Bank N.A. (1-Month U.S. LIBOR plus 22 bps),			Sonoco Products Co.,			Florida – 0.2%		
2.380%, 10-16-18 (A)	14,000	14,000	2.330%, 10-1-18	12,700	12,700	Miami-Dade Cnty, FL, Seaport		
Wells Fargo Bank N.A. (1-Month U.S. LIBOR plus 25 bps),			Toronto-Dominion Bank,			Commercial Paper Notes, Ser		
2.470%, 10-25-18 (A)	25,000	25,000	2.430%, 2-19-19	20,000	19,810	2018A-2 (GTD by Bank of		
Total Certificate Of Deposit – 16.1%		206,000	Walgreens Boots Alliance, Inc.,			America N.A.),		
Commercial Paper(B)			2.360%, 10-1-18	12,700	12,700	2.350%, 10-11-18	2,619	2,619
Brown-Forman Corp.,			Wisconsin Electric Power Co.:			Kansas – 0.6%		
1.930%, 10-11-18	10,000	9,994	2.252%, 10-3-18	52,825	52,818	Univ of KS Hosp Auth, Var Rate		
Canadian Imperial Bank of Commerce,			2.250%, 10-4-18	9,825	9,823	Demand Hlth Fac Rev Bonds		
2.510%, 3-18-19	6,000	5,930	Total Commercial Paper – 33.8%		435,981	(KU Hlth Sys), Ser 2004 (GTD by		
Caterpillar Financial Services Corp. (GTD by Caterpillar, Inc.),			Master Note			U.S. Bank N.A.) (BVAL plus 17 bps),		
2.150%, 11-5-18	20,000	19,957	Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps),			1.670%, 10-1-18 (A)	8,080	8,080
Coca-Cola Co. (The):			2.470%, 10-5-18 (A)	52,766	52,766	Louisiana – 2.1%		
2.250%, 12-11-18	250	249	Total Master Note – 4.1%		52,766	LA Pub Fac Auth, Rev Bonds (Air		
2.420%, 2-15-19	30,000	29,724	Notes			Products and Chemicals Proj),		
Commercial Bank PSQC (GTD by Wells Fargo Bank N.A.),			Banco del Estado de Chile (1-Month U.S. LIBOR plus 46 bps),			Ser 2008A (GTD by Air Products		
2.130%, 10-29-18	8,000	7,986	2.590%, 10-11-18 (A)	15,000	15,000	and Chemicals, Inc.) (BVAL plus 9.7 bps),		
Corporacion Andina de Fomento:			Banco del Estado de Chile (1-Month U.S. LIBOR plus 30 bps),			1.650%, 10-1-18 (A)	19,800	19,800
2.238%, 10-9-18	5,000	4,998	2.430%, 10-14-18 (A)	20,000	20,000			
2.150%, 10-15-18	25,000	24,978	Banco del Estado de Chile (1-Month U.S. LIBOR plus 27 bps),					
2.200%, 10-23-18	25,000	24,965	2.480%, 10-22-18 (A)	15,000	15,000			
2.550%, 3-18-19	8,000	7,906	Bank of America N.A. (1-Month U.S. LIBOR plus 22 bps),					
Diageo Capital plc (GTD by Diageo plc),			2.380%, 10-12-18 (A)	20,000	20,000			
2.300%, 10-1-18	10,000	10,000	Bank of Montreal (3-Month U.S. LIBOR plus 13 bps),					
			2.460%, 12-15-18 (A)	15,000	15,000			
			Bank of Nova Scotia (The) (1-Month U.S. LIBOR plus 22 bps),					
			2.400%, 10-21-18 (A)	15,000	15,000			
			Bank of Nova Scotia (The) (1-Month U.S. LIBOR plus 25 bps),					
			2.370%, 10-8-18 (A)	25,000	25,000			

SCHEDULE OF INVESTMENTS

IVY CASH MANAGEMENT FUND *(in thousands)*

SEPTEMBER 30, 2018

MUNICIPAL OBLIGATIONS (Continued)			MUNICIPAL OBLIGATIONS (Continued)			UNITED STATES GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Louisiana (Continued)			Pennsylvania – 0.5%			Treasury Bills – 3.6%		
Parish of St. Bernard, LA, Exempt			EPC - Allentown, LLC, Incr Taxable			U.S. Treasury Bills:		
Fac Rev Bonds (Mobil Oil Corp.			Var Rate Demand Bonds, Ser			1.950%, 10–4–18	\$ 5,000	\$ 4,999
Proj), Ser 1996 (GTD by Exxon			2005 (GTD by U.S. Bank N.A.)			1.770%, 10–11–18	5,000	4,998
Mobil Corp.) (BVAL plus 18 bps),			(1-Week U.S. LIBOR plus 10 bps),			1.870%, 10–18–18	12,000	11,989
1.620%, 10–1–18 (A)	\$ 7,500	\$ 7,500	2.240%, 10–7–18 (A)	\$ 6,195	\$ 6,195	1.960%, 11–8–18	14,000	13,970
		27,300				2.090%, 12–13–18	10,000	9,957
Michigan – 0.2%			South Carolina – 5.1%					45,913
MI Strategic Fund, Var Rate			SC Pub Svc Auth, Rev Commercial			TOTAL UNITED STATES GOVERNMENT		
Demand Ltd. Oblig Rev Bonds,			Paper Notes, Ser DD (GTD by			AND GOVERNMENT AGENCY		
Ser 2007 (GTD by Air Prods and			Bank of America N.A.):			OBLIGATIONS – 18.6%		
Chemicals, Inc.) (BVAL plus 23			2.330%, 10–17–18	15,662	15,662		\$ 238,759	
bps),			2.330%, 10–18–18	49,441	49,441	(Cost: \$238,759)		
1.650%, 10–1–18 (A)	2,000	2,000			65,103	TOTAL INVESTMENT SECURITIES –		
Mississippi – 0.7%			Wyoming – 0.8%			100.2%		
MS Business Fin Corp., Gulf Opp			Uinta Cnty, WY, Pollutn Ctl Rfdg Rev				\$ 1,286,103	
Zone Indl Dev Rev Bonds			Bonds (Chevron USA, Inc. Proj),			(Cost: \$1,286,103)		
(Chevron USA, Inc. Proj), Ser			Ser 1992 (GTD by Chevron Corp.)			LIABILITIES, NET OF CASH AND OTHER		
2007D (GTD by Chevron Corp.)			(BVAL plus 19 bps),			ASSETS – (0.2)%		
(BVAL plus 19 bps),			1.610%, 10–1–18 (A)	10,000	10,000		(3,135)	
1.610%, 10–1–18 (A)	9,100	9,100				NET ASSETS – 100.0%		
Missouri – 0.1%			TOTAL MUNICIPAL OBLIGATIONS – 11.6%				\$ 1,282,968	
Kansas City, MO, Var Rate Dnd Spl			(Cost: \$148,597)					
Oblig Rfdg Bonds (President			UNITED STATES GOVERNMENT					
Hotel Redev Proj), Ser 2009B			AND GOVERNMENT AGENCY					
(GTD by JPMorgan Chase & Co.)			OBLIGATIONS					
(BVAL plus 22 bps),			United States Government Agency Obligations – 15.0%					
2.190%, 10–7–18 (A)	1,800	1,800	Overseas Private Investment Corp.					
New York – 1.2%			(GTD by U.S. Government)					
Long Island Power Auth, Elec Sys			(3-Month U.S. TB Rate):					
Gen Rev Commercial Paper			2.190%, 10–3–18 (A)	3,745	3,745			
Notes, Ser 2015GR-4A (GTD by			2.170%, 10–7–18 (A)	12,183	12,183			
Royal Bank of Canada):			2.190%, 10–7–18 (A)	9,827	9,827			
2.110%, 10–2–18	10,000	10,000	2.200%, 10–7–18 (A)	90,886	90,886			
2.200%, 11–8–18	5,000	5,000	2.220%, 10–7–18 (A)	48,246	48,246			
		15,000	2.240%, 10–7–18 (A)	27,959	27,959			
					192,846			

Notes to Schedule of Investments

(A)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(B)Rate shown is the yield to maturity at September 30, 2018.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$ —	\$ 898,747	\$ —
Municipal Obligations	—	148,597	—
United States Government and Government Agency Obligations	—	238,759	—
Total	\$ —	\$ 1,286,103	\$ —

SEPTEMBER 30, 2018

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

BVAL = Bloomberg Valuation Municipal AAA Benchmark

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

TB = Treasury Bill

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Waddell & Reed Advisors (WRA) Bond Fund merged into Ivy Bond Fund on October 16, 2017, and the combined Fund was renamed the Ivy Corporate Bond Fund on April 30, 2018. On October 16, 2017, Ivy Corporate Bond Fund adopted the performance of the WRA Bond Fund as the result of a reorganization in which it acquired all assets and liabilities of WRA Bond Fund. Prior to the reorganization, the Ivy Corporate Bond Fund had no assets and had not commenced operations. The returns shown above therefore reflect the performance of the WRA Bond Fund prior to October 16, 2017. WRA Bond Fund's past performance does not necessarily indicate how Ivy Corporate Bond Fund will perform in the future.

Below, Mark G. Beischel, CFA and Susan Regan, co-portfolio managers of the Ivy Corporate Bond Fund, discuss positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Beischel has managed the Fund since April 2018 and has 25 years of industry experience. Ms. Regan has managed the Fund since April 2018 and has 31 years of industry experience. Rick Perry served as portfolio manager of the Fund until April 12, 2018.

Fiscal Year Performance

For the 12 Months Ended September 30, 2018

Ivy Corporate Bond Fund (Class A shares at net asset value)	-1.72%
Ivy Corporate Bond Fund (Class A shares including sales charges)	-7.34%
Benchmark(s) and/or Lipper Category	
Bloomberg Barclays U.S. Aggregate Bond Index (generally reflects the performance of securities representing the bond market)	-1.22%
Bloomberg Barclays U.S. Credit Index (generally reflects the performance of securities representing the U.S. credit market)	-1.10%
Lipper Corporate Debt Funds A-Rated Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-1.26%

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 (NAV).

A year of transition

The past year was a transition period for the Ivy Corporate Bond Fund with its name, benchmark and strategy changing in April 2018. At its previous fiscal year end, the Fund was called the Waddell & Reed Advisors Bond Fund and the Bloomberg Barclays U.S. Aggregate Index was its benchmark. On September 30, 2017, that benchmark had an effective duration of 5.82 years and its allocations were roughly 40% U.S. Treasuries, 30% mortgage-backed securities and 30% credit. At the time, the Fund had a large overweight in credit as corporate bonds had been generating strong excess returns for a few years. The credit overweight helped ease the transition in adopting a new benchmark — the Bloomberg Barclays U.S. Credit Index.

The duration of the Bloomberg Barclays U.S. Credit Index was 7.02 years on September 30, 2018, so a major change to the Fund was extending duration. We increased duration to 6.58 years, up from 5.69 years at the end of the prior fiscal year. The duration of the Fund is approximately 94% of the benchmark. The primary way we extended duration was by selling securities with five- to ten-year maturities and buying securities with twenty- to thirty-year maturities, as the new benchmark has an approximate 28% weighting to long duration versus the previous benchmark's less than 15% weighting. The Fund was underweight long duration a year ago with less than 9% invested in long duration, whereas approximately 18% of the Fund is now invested in longer duration securities. We have deliberately been measured in increasing the allocation to longer duration securities, adding duration at higher U.S. Treasury yields. We expect to continue to add long duration bonds to the Fund in the coming quarters. Overall, we feel the Fund is well positioned in the current rising interest rate environment.

Fed regime change and a flattening yield curve

The Federal Reserve (Fed) underwent a regime change in February 2018, as Jerome "Jay" Powell took over as chair, replacing Janet Yellen. The Fed engaged in four interest rate hikes over the past twelve months, moving the upper end of the federal funds rate range from 1.25% to 2.25%. At the end of the fiscal year, such increases had caused minimal market disruption, as the overall monetary policy strategy at the Fed appears to be consistent. Each of the rate hikes was well telegraphed by the Fed and expected by the market. Interest rates are much higher today than they were a year ago. The 2-year note on September 30, 2018 was 2.82%, up from 1.49% one year earlier, while the 10-year note increased 73 basis points (bps) ending at 3.06% on September 30, 2018.

The yield curve, generally expressed as the difference between the yields on the 10-year U.S. Treasury note and the 2-year U.S. Treasury note, has been attracting investor and media attention. The difference between the yields was 24 bps to end the period, down from 84 bps the year prior. The flattening yield curve has the attention of market participants since flattening is often the predecessor to an inverted yield curve. Yield curve inversion means shorter maturities have higher yields than the yields on longer maturities and is often an early warning signal of recession coming in the months ahead.

Broadly, President Trump's pro-business policies including reduced regulation and lower corporate taxes have contributed to the strong performance in the equity and credit markets this past fiscal year. Gross domestic product growth for the second quarter of 2018 was a very strong 4.2%. Business and consumer confidence have been high, and most of the economic data reports have shown strength in the U.S. economy.

Performance and positioning

In a transitional period, the Fund underperformed its previous and current benchmarks, as the Fund did not have a full fiscal year under one mandate. The Bloomberg Barclays U.S. Credit Index, the new benchmark for this Fund, outperformed duration-matched Treasuries by 86 bps in the period. Telecommunications, metals and mining and most of the categories within the energy complex were all strong categories within the credit sector during the year.

Liquidity has been a popular topic of late in relation to fixed income, most notably in corporate bonds. Liquidity is generally positive in the current environment. Selling is not especially difficult for most investment-grade corporate bonds. We have been making a concerted effort to keep liquidity in mind especially when identifying long duration investment candidates for the portfolio. We have been focusing on improving the credit quality in the portfolio, as we believe higher quality securities will outperform lower quality, especially if and when the positive domestic and/or global economic environment erodes.

Outlook

What is uncertain, at this point, is the effect trade and tariffs will have on both U.S. and global growth. It is too early to know if the strength in the second quarter will continue or if President Trump's trade policies will have a negative effect on growth in the coming quarters. We know the Fed intends to raise rates again in December, which would bring the upper range of the federal funds rate to 2.50%. The terminal rate, or ending federal funds rate, in this hiking cycle could be as low as 3%, so only a few more rate hikes in 2019 and beyond would get us to that point. If trade does impact growth, we would not be surprised to see the Fed take a pause in the hiking cycle. Fed Chairman Powell has been very explicit that the incoming data will be used to make rate decisions. The Federal Open Market Committee does not wish to derail the economy prematurely by hiking rates too quickly. We do not see an inverted yield curve as being a short-term risk, but will be watching it carefully. We will monitor this along with other key data points for information on the economy as to how to position the Fund.

We could see more market volatility in the fourth quarter of 2018 as the midterm elections take place in November and could change the political landscape. Oil prices have been steadily rising. The labor market continues to be strong and labor costs appear to be rising finally. We will be watching to see if inflation remains tame.

The outlook for spreads is balanced — the positive side is relative valuation as investment grade spreads have underperformed that of equities, high yield and other risk assets, while the negative is the lack of improvement in leverage trends. Given that balance, we remain focused on high-level risk factors (overall duration and spread relative to the index), as well as sector and individual security selection. We are enthusiastic about our ability to pick credits with compelling relative value as well as idiosyncratic catalysts which should contribute positively to returns going forward.

The Fund's performance noted above is at 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 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 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 and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Corporate Bond Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	0.1%
Bonds	98.2%
Corporate Debt Securities	90.5%
Asset-Backed Securities	2.5%
Municipal Bonds – Taxable	2.0%
Other Government Securities	1.6%
United States Government and Government Agency Obligations	1.4%
Mortgage-Backed Securities	0.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	1.7%

Quality Weightings

Investment Grade	96.8%
AAA	2.6%
AA	12.0%
A	34.7%
BBB	47.5%
Non-Investment Grade	1.5%
BB	1.3%
Non-rated	0.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺ and Equities	1.7%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

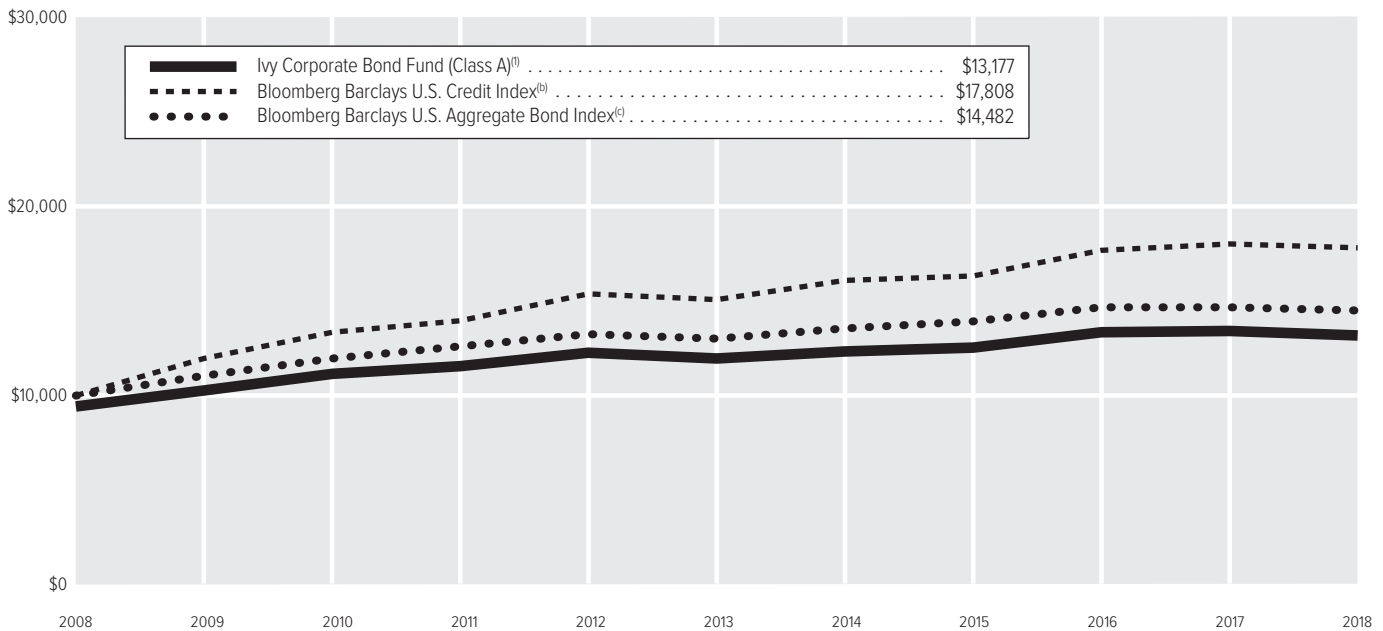
⁺ Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

^(a)Effective April 30, 2018, the name of Ivy Bond Fund was changed to Ivy Corporate Bond Fund.

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

IVY CORPORATE BOND FUND^(a)

(UNAUDITED)



(a) Effective April 30, 2018, the name of Ivy Bond Fund was changed to Ivy Corporate Bond Fund.

(b) Effective April 30, 2018, the Fund's benchmark changed from Bloomberg Barclays U.S. Aggregate Bond Index to Bloomberg Barclays U.S. Credit Index. IICO believes that the Bloomberg Barclays U.S. Credit Index is more reflective of the types of securities in which the Fund invests than the Bloomberg Barclays U.S. Aggregate Bond Index.

(c) The prior benchmark is shown for comparison purposes.

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 N	Class R	Class Y
1-year period ended 9-30-18	-7.34%	-7.02%	-2.63%	—	-1.41%	—	—	—
5-year period ended 9-30-18	0.74%	0.35%	1.00%	—	2.22%	—	—	—
10-year period ended 9-30-18	2.80%	2.43%	2.48%	—	3.71%	—	—	—
Since Inception of Class through 9-30-18 ⁽⁵⁾	—	—	—	-4.44%	—	-1.77%	-2.43%	-2.16%

(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.ivyinvestments.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% and 2.50%, respectively. 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 N, 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.

(5) 10-16-17 for Class E shares, 10-16-17 for Class N shares, 10-16-17 for Class R shares and 10-16-17 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 CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

PREFERRED STOCKS			CORPORATE DEBT SECURITIES			CORPORATE DEBT SECURITIES		
	Shares	Value	(Continued)	Principal	Value	(Continued)	Principal	Value
Financials			Cable & Satellite – 2.0%			Publishing – 0.3%		
Investment Banking & Brokerage – 0.1%			Charter Communications Operating			Thomson Reuters Corp.,		
Morgan Stanley, 5.850%	20	\$ 509	LLC and Charter Communications			3.350%, 5–15–26	\$3,000	\$ 2,764
			Operating Capital Corp.:					
			5.375%, 4–1–38	\$2,250	\$ 2,178			
			5.375%, 5–1–47	500	476			
Total Financials – 0.1%		509	Comcast Corp. (GTD by Comcast			Restaurants – 0.7%		
			Cable Communications and			Darden Restaurants, Inc.,		
			NBCUniversal):			3.850%, 5–1–27	4,000	3,872
TOTAL PREFERRED STOCKS – 0.1%		\$ 509	1.625%, 1–15–22	5,000	4,707	Starbucks Corp.,		
(Cost: \$500)			2.350%, 1–15–27	5,000	4,397	4.000%, 11–15–28	3,000	2,990
								6,862
ASSET-BACKED SECURITIES	Principal		Comcast Corp. (GTD by Comcast			Total Consumer Discretionary – 7.8%		75,175
AerCap Ireland Capital Ltd. and			Cable Communications and			Consumer Staples		
AerCap Global Aviation Trust,			NBCUniversal),			Brewers – 2.0%		
3.500%, 5–26–22	\$ 1,750	1,717	3.900%, 3–1–38	1,000	915	Anheuser-Busch Inbev Finance, Inc.		
Air Canada Enhanced Equipment			DIRECTV Holdings LLC and DIRECTV			(GTD by AB INBEV/BBR/COB):		
Trust, Series 2015-2, Class AA,			Financing Co., Inc.,			4.700%, 2–1–36	6,000	6,001
3.750%, 12–15–27 (A)	3,614	3,533	3.950%, 1–15–25	1,865	1,835	4.900%, 2–1–46	3,500	3,508
American Airlines Class A Pass			Time Warner, Inc. (GTD by Historic			Heineken N.V.,		
Through Certificates,			TW, Inc.):			3.500%, 1–29–28(A)	3,000	2,863
Series 2016-2,			2.950%, 7–15–26	4,500	4,078	Molson Coors Brewing Co.:		
3.650%, 6–15–28	1,844	1,777	3.800%, 2–15–27	500	478	2.250%, 3–15–20	2,500	2,463
American Airlines Class AA Pass					19,064	3.000%, 7–15–26	2,000	1,814
Through Certificates,						4.200%, 7–15–46	2,500	2,214
Series 2016-2,								18,863
3.200%, 6–15–28	2,766	2,633	Education Services – 0.6%			Distillers & Vintners – 1.2%		
American Airlines Class AA Pass			President and Fellows of Harvard			Bacardi Ltd.,		
Through Certificates,			College,			4.450%, 5–15–25(A)	5,000	4,983
Series 2017-2,			3.150%, 7–15–46	3,000	2,653	Constellation Brands, Inc.:		
3.350%, 10–15–29	1,000	955	Trustees of Princeton University			2.650%, 11–7–22	1,000	955
American Airlines, Inc., Class AA			(The),			3.700%, 12–6–26	1,562	1,485
Pass Through Certificates,			4.950%, 3–1–19	1,500	1,512	4.500%, 5–9–47	500	466
Series 2016-1,			University of Southern California,			Diageo Capital plc (GTD by Diageo		
3.575%, 1–15–28	3,618	3,522	3.028%, 10–1–39	2,000	1,775	plc),		
American Airlines, Inc., Class AA					5,940	3.875%, 5–18–28	3,300	3,318
Pass Through Certificates,			Footwear – 0.8%					11,207
Series 2017-1,			NIKE, Inc.,			Drug Retail – 0.1%		
3.650%, 2–15–29	462	450	3.875%, 11–1–45	8,000	7,702	CVS Health Corp.,		
SBA Tower Trust, Series 2016-1 (GTD						4.100%, 3–25–25	1,000	997
by SBA Guarantor LLC and SBA			Home Improvement Retail – 0.3%					
Holdings LLC),			Home Depot, Inc. (The),			Food Distributors – 0.5%		
2.877%, 7–9–21 (A)	3,500	3,442	4.400%, 4–1–21	3,135	3,225	Sysco Corp.:		
United Airlines Pass-Through						3.250%, 7–15–27	1,000	939
Certificates, Series 2016-AA,			Hotels, Resorts & Cruise Lines – 0.8%			4.450%, 3–15–48	4,500	4,382
3.100%, 7–7–28	4,820	4,576	Marriott International, Inc.,					5,321
TOTAL ASSET-BACKED SECURITIES – 2.5%		\$22,605	4.000%, 4–15–28	1,500	1,467	Food Retail – 0.4%		
(Cost: \$23,324)			Marriott International, Inc., Series R,			Kroger Co. (The),		
CORPORATE DEBT SECURITIES			3.125%, 6–15–26	3,000	2,798	1.500%, 9–30–19	4,000	3,946
Consumer Discretionary			Wyndham Worldwide Corp.,					
Auto Parts & Equipment – 0.5%			4.150%, 4–1–24	3,000	2,910	Household Products – 0.2%		
Lear Corp.,					7,175	Clorox Co. (The),		
3.800%, 9–15–27	5,000	4,640	Internet & Direct Marketing Retail – 0.6%			3.100%, 10–1–27	1,000	939
			Amazon.com, Inc.,			Colgate-Palmolive Co.,		
Automobile Manufacturers – 0.9%			4.800%, 12–5–34	5,470	5,960	3.700%, 8–1–47(B)	1,000	942
BMW U.S. Capital LLC:								1,881
2.700%, 4–6–22(A)	1,500	1,457	Movies & Entertainment – 0.3%					
2.800%, 4–11–26(A)	8,000	7,428	Walt Disney Co. (The):					
		8,885	4.125%, 12–1–41	2,000	1,966			
			4.125%, 6–1–44	1,000	992			
					2,958			

SCHEDULE OF INVESTMENTS

IVY CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Hypermarkets & Super Centers – 0.5%		
Walmart, Inc., 3.700%, 6–26–28	\$5,000	\$ 5,003
Packaged Foods & Meats – 2.1%		
General Mills, Inc., 4.200%, 4–17–28	3,750	3,698
Kraft Heinz Foods Co., 4.375%, 6–1–46	2,000	1,764
Mead Johnson Nutrition Co., 4.125%, 11–15–25	4,000	4,048
Nestle Holdings, Inc., 4.000%, 9–24–48(A)	5,500	5,382
Smithfield Foods, Inc.: 2.650%, 10–3–21(A)	3,000	2,859
3.350%, 2–1–22(A)	2,000	1,933
Tyson Foods, Inc. (GTD by Tyson Fresh Meats, Inc.), 2.650%, 8–15–19	765	764
		<u>20,448</u>
Personal Products – 0.5%		
Kimberly-Clark Corp.: 2.750%, 2–15–26	4,000	3,751
3.200%, 7–30–46	1,000	848
		<u>4,599</u>
Soft Drinks – 1.9%		
Coca-Cola Co. (The): 1.550%, 9–1–21	3,500	3,350
2.875%, 10–27–25	5,000	4,785
2.250%, 9–1–26	2,000	1,819
PepsiCo, Inc.: 1.700%, 10–6–21	4,000	3,841
3.450%, 10–6–46	4,500	4,038
		<u>17,833</u>
Total Consumer Staples – 9.4%		90,098
Energy		
Oil & Gas Equipment & Services – 1.3%		
Baker Hughes, a GE Co. LLC and Baker Hughes Co-Obligor, Inc., 3.337%, 12–15–27	2,000	1,879
Halliburton Co., 5.000%, 11–15–45	5,000	5,332
Schlumberger Holding Corp., 3.625%, 12–21–22(A)	5,000	4,973
		<u>12,184</u>
Oil & Gas Exploration & Production – 1.5%		
BP Capital Markets plc (GTD by BP plc), 3.216%, 11–28–23	5,000	4,904
Canadian Natural Resources Ltd., 3.850%, 6–1–27	7,250	7,057
ConocoPhillips Co. (GTD by ConocoPhillips), 4.150%, 11–15–34	1,193	1,176

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Oil & Gas Exploration & Production (Continued)		
EQT Corp., 3.000%, 10–1–22	\$ 1,500	\$ 1,454
		<u>14,591</u>
Oil & Gas Refining & Marketing – 0.1%		
Phillips 66 (GTD by Phillips 66 Co.) (3-Month U.S. LIBOR plus 60 bps), 2.911%, 2–26–21(C)	1,000	1,001
Oil & Gas Storage & Transportation – 4.8%		
Colonial Pipeline Co., 4.250%, 4–15–48(A)	2,000	1,913
Colorado Interstate Gas Co., 4.150%, 8–15–26(A)	6,000	5,871
Enbridge, Inc., 2.900%, 7–15–22	500	485
Energy Transfer Partners L.P.: 4.950%, 6–15–28	4,000	4,070
4.900%, 3–15–35	750	705
Plains All American Pipeline L.P. and PAA Finance Corp., 3.600%, 11–1–24	4,469	4,300
Sabal Trail Transmission LLC, 4.246%, 5–1–28(A)	5,000	5,022
Sabine Pass Liquefaction LLC, 4.200%, 3–15–28	1,500	1,454
Sunoco Logistics Partners Operations L.P. (GTD by Sunoco Logistics Partners L.P.), 4.400%, 4–1–21	2,551	2,595
Tennessee Gas Pipeline Co., 7.000%, 3–15–27	6,000	6,955
TransCanada PipeLines Ltd., 4.250%, 5–15–28	5,000	5,018
Transcontinental Gas Pipe Line Co. LLC, 4.600%, 3–15–48	2,000	1,943
Williams Partners L.P.: 3.750%, 6–15–27	4,000	3,817
4.850%, 3–1–48	1,500	1,448
		<u>45,596</u>
Total Energy – 7.7%		73,372
Financials		
Asset Management & Custody Banks – 0.9%		
Ares Capital Corp.: 3.875%, 1–15–20	635	638
4.250%, 3–1–25	2,500	2,396
State Street Corp., 2.650%, 5–19–26	6,000	5,555
		<u>8,589</u>
Consumer Finance – 2.9%		
Capital One Financial Corp.: 4.200%, 10–29–25	5,500	5,372
3.750%, 7–28–26	1,750	1,632
Discover Bank, 3.450%, 7–27–26	500	465
Discover Financial Services, 3.950%, 11–6–24	5,200	5,082

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Consumer Finance (Continued)		
Ford Motor Credit Co. LLC: 2.425%, 6–12–20	\$5,000	\$ 4,895
2.979%, 8–3–22	2,000	1,897
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.): 4.200%, 3–1–21	3,500	3,543
3.200%, 7–6–21	4,500	4,446
		<u>27,332</u>
Diversified Banks – 10.4%		
Australia and New Zealand Banking Group Ltd.: 2.125%, 8–19–20	4,000	3,922
4.400%, 5–19–26(A)	3,000	2,944
Banco Santander S.A., 3.500%, 4–11–22	2,500	2,450
Bank of America Corp.: 2.503%, 10–21–22	2,000	1,915
4.200%, 8–26–24	6,000	6,027
3.419%, 12–20–28	2,000	1,876
6.300%, 12–29–49	2,000	2,155
5.875%, 9–15–66	2,000	1,982
Bank of America Corp. (3-Month U.S. LIBOR plus 77 bps), 3.111%, 2–5–26(C)	1,000	983
Bank of New York Mellon Corp. (The): 2.500%, 4–15–21	2,000	1,964
2.200%, 8–16–23	4,000	3,747
Barclays plc: 3.684%, 1–10–23	2,000	1,947
4.836%, 5–9–28	1,000	940
BB&T Corp.: 2.050%, 5–10–21	5,500	5,328
2.750%, 4–1–22	3,000	2,938
Commonwealth Bank of Australia, 2.000%, 9–6–21(A)	3,500	3,352
Danske Bank A.S., 2.700%, 3–2–22(A)	2,000	1,917
Fifth Third Bank N.A., 2.250%, 6–14–21	2,500	2,426
HSBC Holdings plc, 4.583%, 6–19–29	4,750	4,755
Huntington Bancshares, Inc., 2.300%, 1–14–22	1,500	1,436
Lloyds Banking Group plc, 3.000%, 1–11–22	1,000	973
Mitsubishi UFJ Financial Group, Inc., 2.190%, 9–13–21	6,500	6,256
Mizuho Financial Group, Inc., 2.273%, 9–13–21	4,000	3,850
Royal Bank of Canada: 2.350%, 10–30–20	4,000	3,935
2.500%, 1–19–21	4,000	3,935
4.650%, 1–27–26	1,000	1,022
Santander Holdings USA, Inc., 3.400%, 1–18–23	3,000	2,892
Swedbank AB, 2.800%, 3–14–22(A)	7,000	6,827
U.S. Bancorp, 3.150%, 4–27–27	3,500	3,339

SCHEDULE OF INVESTMENTS

IVY CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Diversified Banks (Continued)		
Wells Fargo & Co.:		
2.100%, 7-26-21	\$ 1,000	\$ 963
3.069%, 1-24-23	500	488
3.900%, 5-1-45	2,000	1,856
4.750%, 12-7-46	1,500	1,492
Westpac Banking Corp.:		
2.150%, 3-6-20	2,500	2,468
2.000%, 8-19-21	4,000	3,846
		<u>99,146</u>
Investment Banking & Brokerage – 3.7%		
Credit Suisse Group Funding (Guernsey) Ltd.,		
3.125%, 12-10-20	1,500	1,488
Daiwa Securities Group, Inc.,		
3.129%, 4-19-22(A)	4,000	3,899
Goldman Sachs Group, Inc. (The):		
2.350%, 11-15-21	3,000	2,888
2.905%, 7-24-23	1,000	966
3.272%, 9-29-25	1,500	1,433
3.750%, 2-25-26	1,000	971
3.500%, 11-16-26	1,000	948
4.017%, 10-31-38	6,000	5,555
Goldman Sachs Group, Inc. (The) (3-Month U.S. LIBOR plus 175 bps),		
4.089%, 10-28-27(C)	3,000	3,111
Morgan Stanley:		
4.875%, 11-1-22	2,000	2,072
3.875%, 1-27-26	7,000	6,877
3.591%, 7-22-28	2,000	1,897
Morgan Stanley (3-Month U.S. LIBOR plus 140 bps),		
3.742%, 10-24-23(C)	3,500	3,596
		<u>35,701</u>
Life & Health Insurance – 4.0%		
Aflac, Inc.,		
3.625%, 11-15-24	4,975	4,954
Athene Holding Ltd.,		
4.125%, 1-12-28	3,000	2,801
Brighthouse Financial, Inc.,		
3.700%, 6-22-27	3,000	2,663
MetLife, Inc.,		
4.050%, 3-1-45	3,500	3,271
New York Life Global Funding:		
2.000%, 4-13-21(A)	2,500	2,426
2.300%, 6-10-22(A)	3,000	2,880
2.900%, 1-17-24(A)	1,500	1,450
2.350%, 7-14-26(A)	3,000	2,718
Northwestern Mutual Life Insurance Co. (The),		
3.850%, 9-30-47(A)	3,000	2,745
Principal Life Global Funding II:		
2.625%, 11-19-20(A)	3,500	3,452
3.000%, 4-18-26(A)	4,000	3,715
Protective Life Global Funding,		
2.262%, 4-8-20(A)	2,500	2,462
Sumitomo Life Insurance Co.,		
4.000%, 9-14-77(A)	3,000	2,799
		<u>38,336</u>

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Other Diversified Financial Services – 5.7%		
Citigroup, Inc.:		
2.700%, 3-30-21	\$ 4,000	\$ 3,932
3.500%, 5-15-23	1,000	983
4.450%, 9-29-27	8,500	8,397
4.125%, 7-25-28	2,000	1,931
Citigroup, Inc. (3-Month U.S. LIBOR plus 148 bps),		
3.751%, 9-1-23(C)	5,000	5,118
JPMorgan Chase & Co.:		
2.295%, 8-15-21	5,000	4,860
2.700%, 5-18-23	6,000	5,770
3.220%, 3-1-25	5,000	4,844
3.625%, 12-1-27	3,500	3,299
4.950%, 6-1-45	1,000	1,047
TIAA Asset Management Finance Co. LLC,		
4.125%, 11-1-24(A)	5,000	4,943
USAA Capital Corp.,		
2.450%, 8-1-20(A)	10,030	9,891
		<u>55,015</u>
Property & Casualty Insurance – 1.5%		
Berkshire Hathaway Finance Corp. (GTD by Berkshire Hathaway, Inc.),		
4.200%, 8-15-48	10,500	10,412
Berkshire Hathaway Finance Corp. (GTD by Berkshire Hathaway, Inc.) (3-Month ICE LIBOR plus 32 bps),		
2.651%, 1-10-20(C)	1,500	1,503
Berkshire Hathaway, Inc.,		
2.750%, 3-15-23	3,000	2,929
		<u>14,844</u>
Regional Banks – 1.0%		
First Republic Bank,		
2.500%, 6-6-22	5,000	4,805
PNC Bank N.A.:		
2.450%, 11-5-20	736	724
2.150%, 4-29-21	4,000	3,886
		<u>9,415</u>
Specialized Finance – 0.9%		
Diamond 1 Finance Corp. and Diamond 2 Finance Corp.:		
4.420%, 6-15-21(A)	2,000	2,030
5.450%, 6-15-23(A)	1,000	1,050
8.100%, 7-15-36(A)	2,500	2,997
Syngenta Finance N.V.,		
5.182%, 4-24-28(A)	3,000	2,869
		<u>8,946</u>
Total Financials – 31.0%		297,324
Health Care		
Biotechnology – 0.9%		
Amgen, Inc.:		
5.700%, 2-1-19	2,000	2,021
2.200%, 5-11-20	3,500	3,450

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Biotechnology (Continued)		
2.250%, 8-19-23	\$ 3,000	\$ 2,816
		<u>8,287</u>
Health Care Distributors – 0.4%		
AmerisourceBergen Corp.,		
3.450%, 12-15-27	4,000	3,731
Health Care Equipment – 0.5%		
Becton Dickinson & Co.,		
3.700%, 6-6-27	5,000	4,780
Health Care Services – 0.9%		
Cardinal Health, Inc.:		
3.079%, 6-15-24	2,500	2,361
4.368%, 6-15-47	1,500	1,344
Quest Diagnostics, Inc.,		
3.450%, 6-1-26	5,500	5,222
		<u>8,927</u>
Health Care Supplies – 2.2%		
Abbott Laboratories,		
4.750%, 11-30-36	5,000	5,316
Medtronic Global Holdings SCA,		
3.350%, 4-1-27	2,000	1,951
Medtronic, Inc. (GTD by Medtronic Global Holdings SCA and Medtronic plc),		
4.375%, 3-15-35	8,288	8,561
Shire Acquisitions Investments Ireland Designated Activity Co.,		
2.400%, 9-23-21	6,000	5,797
		<u>21,625</u>
Managed Health Care – 0.7%		
Halfmoon Parent, Inc.,		
3.400%, 9-17-21(A)	4,500	4,483
Humana, Inc.,		
2.900%, 12-15-22	2,000	1,938
		<u>6,421</u>
Pharmaceuticals – 1.4%		
Bayer U.S. Finance II LLC,		
4.375%, 12-15-28(A)	5,000	4,896
Perrigo Finance Unlimited Co. (GTD by Perrigo Co. plc),		
3.500%, 3-15-21	2,000	1,980
Zoetis, Inc.,		
3.900%, 8-20-28	6,500	6,428
		<u>13,304</u>
Total Health Care – 7.0%		67,075
Industrials		
Aerospace & Defense – 3.1%		
BAE Systems Holdings, Inc.:		
3.800%, 10-7-24(A)	5,000	4,953
3.850%, 12-15-25(A)	4,800	4,706
4.750%, 10-7-44(A)	2,000	2,030
Boeing Co. (The),		
1.650%, 10-30-20	2,500	2,431

SCHEDULE OF INVESTMENTS

IVY CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Aerospace & Defense (Continued)		
General Dynamics Corp., 1.875%, 8-15-23	\$5,000	\$ 4,659
Huntington Ingalls Industries, Inc., 3.483%, 12-1-27	2,750	2,576
Northrop Grumman Corp., 3.200%, 2-1-27	5,000	4,713
Rockwell Collins, Inc., 2.800%, 3-15-22	3,500	3,405
		<u>29,473</u>
Air Freight & Logistics – 0.8%		
FedEx Corp.: 4.750%, 11-15-45	3,000	2,999
4.400%, 1-15-47	3,000	2,861
4.050%, 2-15-48	1,500	1,343
		<u>7,203</u>
Airlines – 1.5%		
Aviation Capital Group Corp., 2.875%, 1-20-22(A)	2,000	1,937
Aviation Capital Group LLC, 3.500%, 11-1-27(A)	3,000	2,737
Delta Air Lines, Inc.: 2.600%, 12-4-20	2,000	1,956
3.400%, 4-19-21	1,750	1,739
Sydney Airport Finance, 3.625%, 4-28-26(A)	6,000	5,731
		<u>14,100</u>
Building Products – 0.1%		
Owens Corning, 4.400%, 1-30-48	1,500	1,240
Electrical Components & Equipment – 0.1%		
Hubbell, Inc., 3.500%, 2-15-28	1,000	944
Environmental & Facilities Services – 0.7%		
Republic Services, Inc., 2.900%, 7-1-26	3,000	2,790
Waste Management, Inc. (GTD by Waste Management Holdings, Inc.), 2.400%, 5-15-23	4,000	3,809
		<u>6,599</u>
Industrial Conglomerates – 1.1%		
General Electric Capital Corp.: 6.000%, 8-7-19	1,432	1,469
2.342%, 11-15-20	7,787	7,609
General Electric Co., 2.700%, 10-9-22	2,000	1,929
		<u>11,007</u>
Industrial Machinery – 0.2%		
Parker Hannifin Corp., 3.250%, 3-1-27	2,000	1,918

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Railroads – 0.2%		
Burlington Northern Santa Fe LLC, 3.400%, 9-1-24	\$ 2,275	\$ 2,259
		<u>74,743</u>
Total Industrials – 7.8%		
Information Technology		
Communications Equipment – 0.4%		
L-3 Communications Corp., 3.850%, 12-15-26	4,000	3,846
Data Processing & Outsourced Services – 0.7%		
Visa, Inc.: 2.800%, 12-14-22	4,000	3,921
4.300%, 12-14-45	3,000	3,108
		<u>7,029</u>
Electronic Components – 0.9%		
Amphenol Corp., 3.200%, 4-1-24	2,500	2,398
Maxim Integrated Products, Inc., 3.450%, 6-15-27	6,500	6,130
		<u>8,528</u>
Home Entertainment Software – 0.8%		
Activision Blizzard, Inc.: 2.300%, 9-15-21	4,000	3,881
2.600%, 6-15-22	3,000	2,905
3.400%, 6-15-27	1,000	946
		<u>7,732</u>
Internet Software & Services – 0.1%		
Tencent Holdings Ltd., 3.595%, 1-19-28(A)	1,000	946
IT Consulting & Other Services – 0.4%		
Keysight Technologies, Inc., 4.600%, 4-6-27	3,500	3,498
Semiconductors – 1.8%		
Intel Corp.: 3.100%, 7-29-22	4,000	3,973
2.875%, 5-11-24	6,000	5,825
QUALCOMM, Inc.: 2.900%, 5-20-24	5,000	4,784
4.300%, 5-20-47	3,000	2,826
		<u>17,408</u>
Systems Software – 1.4%		
CA, Inc., 5.375%, 12-1-19	6,195	6,332
Microsoft Corp.: 2.650%, 11-3-22	3,000	2,938
2.875%, 2-6-24	2,000	1,955
4.250%, 2-6-47	1,500	1,572
		<u>12,797</u>

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Technology Hardware, Storage & Peripherals – 0.4%		
Apple, Inc.: 2.400%, 5-3-23	\$ 1,000	\$ 961
4.375%, 5-13-45	3,000	3,115
		<u>4,076</u>
Total Information Technology – 6.9%		
Materials		
Diversified Metals & Mining – 0.2%		
Anglo American Capital plc, 4.500%, 3-15-28(A)	2,000	1,919
Fertilizers & Agricultural Chemicals – 0.2%		
Mosaic Co. (The), 3.250%, 11-15-22	2,500	2,441
Paper Packaging – 0.5%		
WestRock Co., 3.750%, 3-15-25(A)	4,500	4,421
Specialty Chemicals – 0.4%		
Methanex Corp., 5.250%, 3-1-22	3,500	3,582
		<u>12,363</u>
Real Estate		
Health Care REITs – 0.8%		
Health Care REIT, Inc., 4.000%, 6-1-25	5,700	5,621
Senior Housing Properties Trust, 4.750%, 2-15-28	2,000	1,933
		<u>7,554</u>
Hotel & Resort REITs – 0.3%		
Hospitality Properties Trust, 3.950%, 1-15-28	2,500	2,263
Industrial REITs – 1.0%		
Air Lease Corp., 3.250%, 3-1-25	3,000	2,803
Aircastle Ltd.: 5.500%, 2-15-22	4,909	5,102
5.000%, 4-1-23	1,660	1,704
		<u>9,609</u>
Specialized REITs – 1.3%		
American Tower Corp., 3.125%, 1-15-27	7,750	7,047
American Tower Trust I, 3.652%, 3-23-28(A)	2,000	1,962
Crown Castle International Corp.: 2.250%, 9-1-21	3,000	2,881
5.250%, 1-15-23	844	885
		<u>12,775</u>
Total Real Estate – 3.4%		
		<u>32,201</u>

SCHEDULE OF INVESTMENTS

IVY CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Telecommunication Services		
Integrated Telecommunication Services – 1.4%		
AT&T, Inc.:		
3.600%, 2–17–23	\$ 1,000	\$ 993
4.250%, 3–1–27	1,000	987
5.150%, 2–15–50(A)	1,000	945
Sprint Spectrum Co. LLC and Sprint Spectrum Co. II LLC:		
4.738%, 3–20–25(A)	2,000	1,999
Verizon Communications, Inc.:		
2.625%, 8–15–26	6,500	5,890
4.812%, 3–15–39	2,797	2,814
		<u>13,628</u>
Wireless Telecommunication Service – 1.3%		
Crown Castle Towers LLC:		
3.222%, 5–15–22(A)	2,000	1,956
3.663%, 5–15–25(A)	4,000	3,918
Sprint Spectrum L.P.:		
3.360%, 9–20–21(A)	6,750	6,725
		<u>12,599</u>
Total Telecommunication Services – 2.7%		26,227
Utilities		
Electric Utilities – 3.6%		
AEP Transmission Co. LLC:		
4.250%, 9–15–48	4,500	4,484
Appalachian Power Co., Series W:		
4.450%, 6–1–45	1,000	1,003
Commonwealth Edison Co.:		
3.650%, 6–15–46	2,500	2,261
Duke Energy Carolinas LLC:		
4.300%, 6–15–20	3,250	3,323
3.750%, 6–1–45	9,000	8,285
Duke Energy Indiana LLC:		
3.750%, 5–15–46	1,000	913
Edison International:		
2.125%, 4–15–20	1,000	980
2.950%, 3–15–23	5,000	4,791
Entergy Arkansas, Inc.:		
4.000%, 6–1–28	2,650	2,649
Kansas City Power & Light Co.:		
4.200%, 3–15–48	1,000	958
MidAmerican Energy Co.:		
3.950%, 8–1–47	1,000	958
Sierra Pacific Power Co.:		
2.600%, 5–1–26	4,000	3,687
		<u>34,292</u>
Gas Utilities – 0.2%		
Southern California Gas Co.:		
4.300%, 1–15–49	2,500	2,550
Independent Power Producers & Energy Traders – 0.4%		
Black Hills Corp.:		
4.350%, 5–1–33	3,750	3,671

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Multi-Utilities – 1.0%		
Baltimore Gas and Electric Co.:		
4.250%, 9–15–48	\$ 2,500	\$ 2,483
Berkshire Hathaway Energy Co.:		
2.800%, 1–15–23(B)	500	486
Dominion Resources, Inc.:		
2.750%, 1–15–22	1,000	973
Pacific Gas and Electric Co.:		
3.300%, 12–1–27	1,000	914
3.950%, 12–1–47	1,500	1,300
Public Service Electric and Gas Co.:		
2.250%, 9–15–26	3,500	3,138
		<u>9,294</u>
Water Utilities – 0.3%		
California Water Service Co.:		
5.875%, 5–1–19	3,000	3,044
Total Utilities – 5.5%		52,851
TOTAL CORPORATE DEBT SECURITIES – 90.5%		\$867,289
(Cost: \$889,599)		
MORTGAGE-BACKED SECURITIES		
Non-Agency REMIC/CMO – 0.2%		
MASTR Adjustable Rate Mortgage Trust 2005-1 (Mortgage spread to 10-year U.S. Treasury index):		
3.847%, 3–25–35(C)	2,624	1,971
Structured Adjustable Rate Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2004-1 (Mortgage spread to 3-year U.S. Treasury index):		
4.251%, 2–25–34(C)	60	—
		<u>1,971</u>
TOTAL MORTGAGE-BACKED SECURITIES – 0.2%		\$ 1,971
(Cost: \$2,671)		
MUNICIPAL BONDS – TAXABLE		
Massachusetts – 0.4%		
MA Hlth and Edu Fac Auth, Rev Bonds, Harvard Univ Issue, Ser 2008C:		
5.260%, 10–1–18	3,985	3,985
New York – 0.8%		
NYC GO Bonds, Fiscal 2017 Ser A-2:		
2.460%, 8–1–26	3,000	2,750
NYC Indl Dev Agcy, Rental Rev Bonds (Yankee Stadium Proj), Ser 2009:		
11.000%, 3–1–29 (A)	3,732	4,871
		<u>7,621</u>

MUNICIPAL BONDS – TAXABLE

(Continued)

	Principal	Value
Ohio – 0.5%		
OH State Univ, Gen Receipts Bonds (Multiyear Debt Issuance Prog), Ser 2016A:		
3.798%, 12–1–46	\$ 5,500	\$ 5,183
Pennsylvania – 0.3%		
Cmnwlth of PA, GO Bonds, Third Ser B of 2010 (Federally Taxable – Build America Bonds):		
4.750%, 7–15–22	3,075	3,145
TOTAL MUNICIPAL BONDS – TAXABLE – 2.0%		\$19,934
(Cost: \$19,420)		
OTHER GOVERNMENT SECURITIES(D)		
Canada – 1.2%		
Province de Quebec:		
7.140%, 2–27–26	9,365	11,320
Mexico – 0.1%		
United Mexican States:		
3.750%, 1–11–28	1,000	953
Spain – 0.3%		
Telefonica Emisiones S.A.U.:		
4.103%, 3–8–27	2,000	1,921
4.665%, 3–6–38	1,500	1,408
		<u>3,329</u>
TOTAL OTHER GOVERNMENT SECURITIES – 1.6%		\$15,602
(Cost: \$14,033)		
UNITED STATES GOVERNMENT AGENCY OBLIGATIONS		
Mortgage-Backed Obligations – 1.4%		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO:		
2.790%, 6–25–22	2,000	1,962
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 5-year U.S. Treasury index):		
4.489%, 12–25–44(A)(C)	10,760	11,042
		<u>13,004</u>
TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 1.4%		\$13,004
(Cost: \$13,321)		
UNITED STATES GOVERNMENT OBLIGATIONS		
Treasury Obligations – 0.0%		
U.S. Treasury Bonds:		
3.000%, 11–15–44	210	203

SCHEDULE OF INVESTMENTS

IVY CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

UNITED STATES GOVERNMENT OBLIGATIONS (Continued)			SHORT-TERM SECURITIES (Continued)		
	Principal	Value		Principal	Value
Treasury Obligations (Continued)			Money Market Funds – 0.0%		
U.S. Treasury Notes,			Dreyfus Institutional Preferred		
2.000%, 8–15–25	\$ 19	\$ 17	Government Money Market		
		220	Fund – Institutional Shares,		
			2.140%, (G)(H)		
			\$341	\$	341
TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 0.0%		\$ 220	TOTAL SHORT-TERM SECURITIES – 1.0%	\$	9,841
(Cost: \$249)			(Cost: \$9,842)		
SHORT-TERM SECURITIES			TOTAL INVESTMENT SECURITIES – 99.3%	\$950,975	
Commercial Paper(E) – 0.5%			(Cost: \$972,959)		
Walgreens Boots Alliance, Inc.,			CASH AND OTHER ASSETS, NET OF		
2.850%, 10–12–18	5,000	4,995	LIABILITIES – 0.7%		
					6,721
Master Note – 0.5%			NET ASSETS – 100.0%		\$957,696
Toyota Motor Credit Corp. (1-Month					
U.S. LIBOR plus 15 bps),					
2.470%, 10–5–18(F)	4,505	4,505			

Notes to Schedule of Investments

*Not shown due to rounding.

(A) Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$191,202 or 20.0% of net assets.

(B) All or a portion of securities with an aggregate value of \$334 are on loan.

(C) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Description of the reference rate and spread, if applicable, are included in the security description.

(D) Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(E) Rate shown is the yield to maturity at September 30, 2018.

(F) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(G) Investment made with cash collateral received from securities on loan.

(H) Rate shown is the annualized 7-day yield at September 30, 2018.

SCHEDULE OF INVESTMENTS

IVY CORPORATE BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$509	\$ —	\$ —
Asset-Backed Securities	—	22,605	—
Corporate Debt Securities	—	867,289	—
Mortgage-Backed Securities	—	1,971	—
Municipal Bonds	—	19,934	—
Other Government Securities	—	15,602	—
United States Government Agency Obligations	—	13,004	—
United States Government Obligations	—	220	—
Short-Term Securities	341	9,500	—
Total	<u>\$850</u>	<u>\$950,125</u>	<u>\$ —</u>

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation
 GTD = Guaranteed
 LIBOR = London Interbank Offered Rate
 REIT = Real Estate Investment Trust
 REMIC = Real Estate Mortgage Investment Conduit

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Below, Mark G. Beischel, CFA, Susan Regan, and Ben Esty, co-portfolio managers of the Ivy Crossover Credit Fund, discuss positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Beischel has managed the Fund since April 2018 and has 25 years of industry experience. Ms. Regan has managed the Fund since April 2018 and has 31 years of industry experience. Mr. Esty has managed the Fund since July 2018 and has 17 years of industry experience. Rick Perry served as portfolio manager of the Fund until April 12, 2018.

Fiscal Year Performance

For the 12 Months Ended September 30, 2018

Ivy Crossover Credit Fund (Class A shares at net asset value)	-2.56%
Ivy Crossover Credit Fund (Class A shares including sales charges)	-8.20%
Benchmark(s) and/or Lipper Category	
Bloomberg Barclays U.S. Corporate Bond Index (generally reflects the performance of securities representing the U.S. corporate bond market)	-1.09%
Lipper Corporate Debt Funds BBB-Rated Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-1.29%

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 (NAV).

For the fiscal year ended September 30, 2018, the Fund underperformed its benchmark and its Lipper average. The negative attribution relative to the benchmark was principally caused by the Fund's exposure to the BBB-rated sector and to a much lesser extent the BB-rated sector. While the Fund focuses on crossover credits, the benchmark has a larger weighting in higher rated securities than the Fund. This can result in deviations in performance.

Market Sector Update

The fiscal year ended September 30, 2018 was broadly positive for risky asset classes. The broader equity market had strong returns due to robust economic data and earnings growth aided by tax reform. The risk-on environment resulted in material increases in Treasury yields. The 2-year yield rose 134 basis points (bps) from 1.48% to 2.82%, while the 10-year yield increased 73 bps from 2.33% to 3.06%. This resulted in a significant flattening of the yield curve with the difference between the 2- and 10-year yields at 24 bps to end the fiscal year. Additionally, the Federal Reserve (Fed) raised its target rate four times during the fiscal year from an upper bound of 1.25% to 2.25% with another hike likely in December 2018.

The Fund's benchmark returned -1.09% during the fiscal year largely due to the move in Treasuries. The spread of the index rose slightly over the fiscal period from 101 bps to 106 bps. The spread hit its low of 85 bps in early-February 2018, while it peaked at 124 bps in June 2018.

The high yield market outperformed investment grade with the Bloomberg Barclays US High Yield Corporate Index returning 3.05% for the fiscal year. The spread on the high yield index declined 31 bps to 316 bps. The range on high yield index spread was from 311-379 bps — hitting its high in mid-November 2017 and its low in late-January 2018.

Issuance for the year was approximately \$1.3 trillion in the investment grade corporate market, a decline of approximately 3% year over year. Corporate revenue and earnings growth remained strong — second quarter 2018 revenue and EBITDA growth was approximately 5% year over year, excluding the volatile commodities sector. While below the growth rates of the prior two quarters, this is still a strong result. Caution is warranted as investment grade metrics such as gross leverage have not been improving despite the strong revenue and EBITDA trends. Excluding the commodities sectors, the overall investment grade leverage at the end of June 2018 marked a high in leverage in the period following the 2008 crisis.

Portfolio Positioning

The Fund's duration started and ended the fiscal year slightly lower than its benchmark. Additionally, the Fund's exposure to the high yield sector rose during the fiscal year as the Fund sought to take advantage of improving trends in the U.S. economy. Relative to its benchmark, the most significant industry weighting reduction was in the communications sector due to concerns regarding secular trends in the industry and increasing leverage in the sector from mergers and acquisitions. The largest increase in industry exposure in the fiscal year came in the consumer non-cyclical sector as the Fund sought more exposure to less economically sensitive sectors.

At fiscal year end, the Fund's largest overweight relative to its index is the industrial sector; the bulk of the overweight is in the less cyclical defense sub-sector. The largest underweight in the Fund is in the technology sector, which despite strong fundamental trends does not offer compelling relative value. At the end of the fiscal year, the Fund remains more diverse than its typical target of 30-50 names. The rationale is that we see a myriad of risks and generally tight credit spreads pointing towards above-average diversification aiding the Fund's overall risk and return.

The upgrade-to-downgrade ratio in the high yield market was 1.24, meaning 1.24 upgrades per one downgrade, which is up from 1.15 at the end of the previous fiscal year. This shows that ratings agencies continue to be biased toward credit upgrades.

More importantly, the spread ratio of BB to BBB credits, largely the areas of focus for the Fund, is roughly 1.5 and in the 11th percentile of its range since 2000. This means the spread premium of BB to BBB credits has only been lower 11% of the time since 2000. We have positioned the portfolio well under its maximum exposure to the high yield asset class for this reason, coupled with the outperformance of high yield over the past year. Our high yield exposure is comprised of investments we believe have a combination of identifiable catalysts, compelling relative value and improving credit profiles.

We are pleased with the portfolio's positioning and believe the portfolio will deliver a relatively low correlation to the Treasury market as well as the investment grade and high yield markets while delivering solid risk/reward for our investors.

Outlook

While U.S. economic growth remains robust and continues to exceed expectations, the future contains potential headwinds to growth and consequently asset prices going forward. These risks include the pace of Fed rate hikes, political changes, tariff/trade concerns and volatility in several emerging market countries. While the risk of a recession in the near term appears remote, 2019 growth rates are likely to decelerate due to fading effects of the tax cut, the impact of tariffs on trade and slowing growth internationally.

The Fed will likely hike rates again in December 2018, which will not be a surprise to the market. However, we believe decelerating growth rates and the federal funds rate moving closer to neutral may result in the Fed pausing in 2019.

The outlook for spreads is balanced — on the positive side, relative valuation as investment grade spreads have underperformed that of equities, high yield and other risk assets, while the negative is the lack of improvement in leverage trends. Given that balance, we remain focused on high-level risk factors (overall duration and spread relative to the index), as well as sector and individual security selection. We are enthusiastic about our ability to pick credits with compelling relative value as well as idiosyncratic catalysts which should contribute positively to returns going forward.

The forward opportunity set for the Fund is robust. While the upgrade-to-downgrade ratio is still positive, the current expansion is in its later innings and downgrades of BBBs to high yield, an opportunity set which the Fund seeks to exploit, should be numerous in the future. Not only do we expect an increase in downgrades as the cycle turns, we see numerous reasons for more downgrades going forward than history suggests. Principally, the growth of the BBB segment of the investment grade market should result in a higher level of downgrades in the future. BBB credits as a percentage of the investment grade market have grown from below 30% in 2009 to approximately 45% at the end of the fiscal year. In dollar terms, in less than four years the amount of non-financial BBB-rated corporate debt has grown by more \$500 billion dollars. These data points suggest that the size of the eventual downgrade wave, as well as its potential impact on price performance, could exceed those metrics of prior cycles and provide the Fund with an incredible opportunity going forward.

The Fund's performance noted above is at 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 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 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 and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Crossover Credit Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	95.0%
Corporate Debt Securities	93.7%
Asset-Backed Securities	1.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	5.0%

Quality Weightings

Investment Grade	76.2%
A	4.7%
BBB	71.5%
Non-Investment Grade	18.8%
BB	18.8%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	5.0%

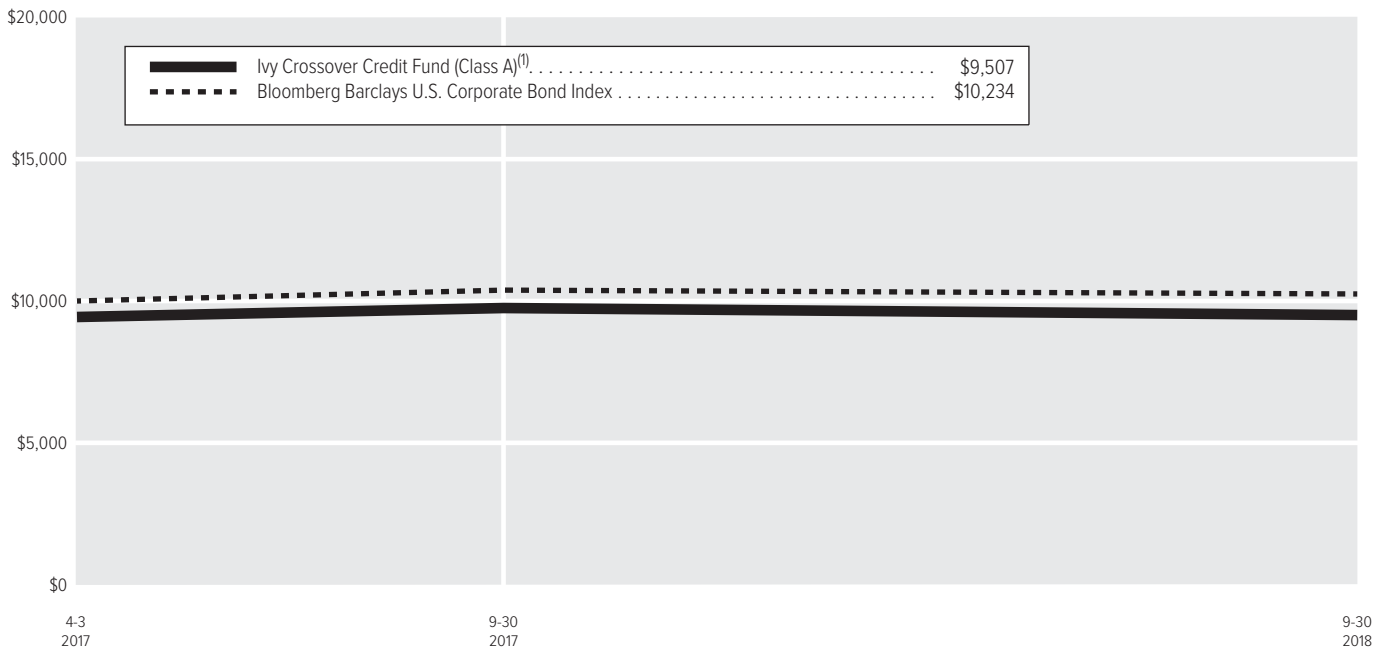
Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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 CROSSOVER CREDIT 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 E	Class I	Class N	Class R	Class Y
1-year period ended 9-30-18	-8.20%	-4.95%	-2.41%	-2.41%	-3.13%	-2.56%
5-year period ended 9-30-18	—	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	-3.33%	-1.14%	0.82%	0.82%	0.04%	0.58%

(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.ivyinvestments.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% and 2.50%, respectively. Class I, Class N, 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) 4-3-17 for Class A shares, 4-3-17 for Class E shares, 4-3-17 for Class I shares, 4-3-17 for Class N shares, 4-3-17 for Class R shares and 4-3-17 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 CROSSOVER CREDIT FUND *(in thousands)*

SEPTEMBER 30, 2018

ASSET-BACKED SECURITIES	Principal	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value
AerCap Ireland Capital Designated Activity Co. and AerCap Global Aviation Trust, 3.650%, 7-21-27	\$ 250	\$ 229	Packaged Foods & Meats – 4.6% Bunge Ltd. Finance Corp., 3.750%, 9-25-27	\$ 250	\$ 230	Investment Banking & Brokerage – 2.6% Goldman Sachs Group, Inc. (The), 4.250%, 10-21-25	\$ 500	\$ 495
AerCap Ireland Capital Ltd. and AerCap Global Aviation Trust, 3.500%, 5-26-22	250	245	General Mills, Inc., 4.200%, 4-17-28	750	739	Morgan Stanley, 3.591%, 7-22-28	500	474
TOTAL ASSET-BACKED SECURITIES – 1.3%		\$ 474	Smithfield Foods, Inc., 2.650%, 10-3-21 (A)	750	715			969
(Cost: \$501)					1,684	Life & Health Insurance – 3.1% Athene Holding Ltd., 4.125%, 1-12-28	1,000	934
CORPORATE DEBT SECURITIES			Total Consumer Staples – 10.9%		4,038	Brighthouse Financial, Inc., 3.700%, 6-22-27	250	222
Consumer Discretionary			Energy					1,156
Auto Parts & Equipment – 1.9% Lear Corp., 3.800%, 9-15-27	750	696	Oil & Gas Exploration & Production – 2.6% Canadian Natural Resources Ltd., 3.850%, 6-1-27	750	730	Other Diversified Financial Services – 3.9% Citigroup, Inc., 4.450%, 9-29-27	500	494
Cable & Satellite – 3.3% Charter Communications Operating LLC and Charter Communications Operating Capital Corp., 5.375%, 4-1-38	750	726	EQT Corp., 3.000%, 10-1-22	250	242	JPMorgan Chase & Co., 3.625%, 12-1-27	1,000	943
CSC Holdings LLC, 5.375%, 2-1-28 (A)	500	478			972			1,437
		1,204	Oil & Gas Storage & Transportation – 6.6% Energy Transfer Partners L.P., 4.950%, 6-15-28	500	509	Total Financials – 21.2%		7,826
Homebuilding – 1.2% Toll Brothers Finance Corp., 4.350%, 2-15-28	500	459	Plains All American Pipeline L.P. and PAA Finance Corp., 4.500%, 12-15-26	250	250	Health Care		
Hotels, Resorts & Cruise Lines – 3.8% Royal Caribbean Cruises Ltd., 3.700%, 3-15-28	500	463	Sunoco Logistics Partners Operations L.P. (GTD by Energy Transfer Partners L.P.), 4.000%, 10-1-27	1,000	949	Health Care Equipment – 1.3% Becton Dickinson & Co., 3.700%, 6-6-27	500	478
Wyndham Worldwide Corp., 4.500%, 4-1-27	1,000	943	Williams Partners L.P.: 3.750%, 6-15-27	500	477	Managed Health Care – 2.8% Centene Escrow I Corp., 5.375%, 6-1-26 (A)	1,000	1,025
		1,406	4.850%, 3-1-48	250	241			
Restaurants – 4.0% Darden Restaurants, Inc., 3.850%, 5-1-27	1,000	968	Total Energy – 9.2%		3,398	Pharmaceuticals – 4.0% Bayer U.S. Finance II LLC, 4.375%, 12-15-28 (A)	500	489
Starbucks Corp., 4.000%, 11-15-28	500	498	Financials			Elanco Animal Health, Inc., 4.900%, 8-28-28 (A)	1,000	1,015
		1,466	Asset Management & Custody Banks – 1.3% Ares Capital Corp., 4.250%, 3-1-25	500	479			1,504
Total Consumer Discretionary – 14.2%		5,231	Consumer Finance – 1.9% Capital One Financial Corp., 3.750%, 7-28-26	250	233	Total Health Care – 8.1%		3,007
Consumer Staples			Discover Bank, 3.450%, 7-27-26	500	465	Industrials		
Distillers & Vintners – 3.8% Bacardi Ltd., 4.450%, 5-15-25 (A)	200	199			698	Aerospace & Defense – 5.8% BAE Systems Holdings, Inc., 3.850%, 12-15-25 (A)	500	490
Constellation Brands, Inc., 3.700%, 12-6-26	750	713	Diversified Banks – 8.4% Banco Bilbao Vizcaya Argentaria S.A., 6.125%, 2-16-66 (B)	1,000	899	Huntington Ingalls Industries, Inc., 3.483%, 12-1-27	1,000	937
Diageo Capital plc (GTD by Diageo plc), 3.875%, 5-18-28	500	503	Banco Santander S.A., 3.500%, 4-11-22	250	245	Northrop Grumman Corp., 3.250%, 1-15-28	750	705
		1,415	Bank of America Corp., 5.875%, 9-15-66	1,000	991			2,132
Household Products – 2.5% Clorox Co. (The), 3.100%, 10-1-27	1,000	939	Barclays plc, 4.836%, 5-9-28	500	470	Agricultural & Farm Machinery – 2.6% CNH Industrial N.V., 3.850%, 11-15-27	1,000	946
			Santander Holdings USA, Inc., 3.400%, 1-18-23	500	482	Building Products – 1.1% Owens Corning, 4.400%, 1-30-48	500	414
					3,087			

SCHEDULE OF INVESTMENTS

IVY CROSSOVER CREDIT FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)			CORPORATE DEBT SECURITIES (Continued)			SHORT-TERM SECURITIES		
	Principal	Value		Principal	Value		Principal	Value
Industrial Conglomerates – 0.6%			Real Estate			Master Note – 0.7%		
TriMas Corp., 4.875%, 10–15–25 (A)	\$ 250	\$ 239	Health Care REITs – 1.3%			Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10–5–18 (C)	\$ 256	\$ 256
Total Industrials – 10.1%		3,731	Senior Housing Properties Trust, 4.750%, 2–15–28	\$ 500	\$ 483	Money Market Funds – 0.6%		
Information Technology			Hotel & Resort REITs – 2.5%			Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares, 2.140%, (D)(E)	220	220
Communications Equipment – 2.6%			Hospitality Properties Trust, 3.950%, 1–15–28	1,000	905	TOTAL SHORT-TERM SECURITIES – 1.3%		\$ 476
L-3 Communications Corp., 3.850%, 12–15–26	1,000	962	Specialized REITs – 3.2%			(Cost: \$476)		
Electronic Manufacturing Services – 2.5%			Crown Castle International Corp.: 3.200%, 9–1–24	250	238	TOTAL INVESTMENT SECURITIES – 96.3%		\$35,563
Jabil, Inc., 3.950%, 1–12–28	1,000	937	4.750%, 5–15–47	1,000	947	(Cost: \$37,074)		
Semiconductors – 1.3%					1,185	CASH AND OTHER ASSETS, NET OF LIABILITIES – 3.7%		1,368
QUALCOMM, Inc., 2.900%, 5–20–24	500	478	Total Real Estate – 7.0%		2,573	NET ASSETS – 100.0%		\$ 36,931
Total Information Technology – 6.4%		2,377	Telecommunication Services					
Materials			Integrated Telecommunication Services – 1.4%					
Diversified Metals & Mining – 2.6%			Sprint Spectrum Co. LLC and Sprint Spectrum Co. II LLC, 4.738%, 3–20–25 (A)	500	500			
Anglo American Capital plc, 3.625%, 9–11–24 (A)	1,000	952	Total Telecommunication Services – 1.4%		500			
Paper Packaging – 1.3%			Utilities					
WestRock Co., 3.750%, 3–15–25 (A)	500	491	Independent Power Producers & Energy Traders – 1.3%					
Total Materials – 3.9%		1,443	Black Hills Corp., 4.350%, 5–1–33	500	489			
			Total Utilities – 1.3%		489			
			TOTAL CORPORATE DEBT SECURITIES – 93.7%		\$ 34,613			
			(Cost: \$36,097)					

Notes to Schedule of Investments

(A) Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$6,593 or 17.8% of net assets.

(B) All or a portion of securities with an aggregate value of \$214 are on loan.

(C) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(D) Investment made with cash collateral received from securities on loan.

(E) Rate shown is the annualized 7-day yield at September 30, 2018.

SEPTEMBER 30, 2018

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Asset-Backed Securities	\$ —	\$ 474	\$ —
Corporate Debt Securities	—	34,613	—
Short-Term Securities	220	256	—
Total	<u>\$ 220</u>	<u>\$35,343</u>	<u>\$ —</u>

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

REIT = Real Estate Investment Trust

(UNAUDITED)

Waddell & Reed Advisors (WRA) Government Securities Fund merged into Ivy Government Securities Fund on October 16, 2017. On that date, Ivy Government Securities Fund adopted the performance of the WRA Government Securities Fund as the result of a reorganization in which it acquired all assets and liabilities of WRA Government Securities Fund. Prior to the reorganization, the Ivy Government Securities Fund had no assets and had not commenced operations. The returns shown below therefore reflect the performance of WRA Government securities Fund prior to October 16, 2017. WRA Government Securities Fund's past performance does not necessarily indicate how Ivy Government Securities Fund will perform in the future.

Below, Mark G. Beischel, CFA and Susan Regan, co-portfolio managers of the Ivy Government Securities Fund, discuss positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Beischel has managed the Fund since April 2018 and has 25 years of industry experience. Ms. Regan has managed the Fund since April 2018 and has 31 years of industry experience. Rick Perry served as portfolio manager of the Fund until April 12, 2018.

Fiscal Year Performance

For the 12 Months Ended September 30, 2018

Ivy Government Securities Fund (Class A shares at net asset value)	-2.35%
Ivy Government Securities Fund (Class A shares including sales charges)	-6.48%
Benchmark(s) and/or Lipper Category	
Bloomberg Barclays U.S. Government/Mortgage-Backed Securities Index (generally reflects the performance of securities representing the government securities market)	-1.30%
Lipper General U.S. Government Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-2.16%

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 (NAV).

The Ivy Government Securities Fund underperformed its Lipper average and its benchmark for the fiscal year ended September 30, 2018. The one-year returns on both the Fund and the index were negative as rates rose too much in the fiscal year for the income generated in coupons to offset the losses.

Fed regime change and a flattening yield curve

The Federal Reserve (Fed) underwent a regime change in February 2018, as Jerome “Jay” Powell took over as chair, replacing Janet Yellen. The Fed engaged in four interest rate hikes over the past fiscal year, moving the upper end of the federal funds rate range from 1.25% to 2.25%. As of the end of the fiscal year, such increases had caused minimal market disruption, as the overall monetary policy strategy at the Fed appears to be consistent. Each of the rate hikes was well telegraphed by the Fed and expected by the market. Interest rates are much higher than they were one year ago. The 2-year note on September 30, 2018 was 2.82%, up from 1.49% one year earlier, while the 10-year note increased 73 basis points (bps) ending at 3.06% on September 30, 2018.

The yield curve, generally expressed as the difference between the yields on the 10-year U.S. Treasury note and the 2-year U.S. Treasury note, has been attracting investor and media attention. The difference between the yields was 24 bps to end the period, down from 84 bps the year prior. The flattening yield curve has the attention of market participants since flattening is often the predecessor to an inverted yield curve. Yield curve inversion means shorter maturities have higher yields than the yields on longer maturities and is often an early warning signal of recession coming in the months ahead.

Broadly, President Trump's pro-business policies including reduced regulation and lower corporate taxes have contributed to the strong performance in the equity and credit markets this past fiscal year. Gross domestic product growth for the second quarter of 2018 was a very strong 4.2%. Business and consumer confidence have been high and most of the economic data reports have shown strength in the U.S. economy.

Positioned for rising rates

The Fund's largest sector allocation changes over the past twelve months were an increased allocation to agency collateralized mortgage obligations and a decrease in agency mortgage-backed pass through securities. The other major change was reducing duration to approximately 93-96% of the benchmark in the first quarter of 2018. Duration remains in that range, as below-benchmark duration seems appropriate with interest rates expected to continue their path higher in the near term.

Outlook

We could see more market volatility in the fourth quarter of 2018 as the midterm elections take place in November and could change the political landscape. Oil prices have been steadily rising. The labor market continues to be strong and labor costs appear to be rising finally. We will be watching to see if inflation remains tame.

What is uncertain, at this point, is the effect trade and tariffs will have on both U.S. and global growth. It is too early to know if the strength from the second quarter will continue or if President Trump's trade policies will have a negative effect on growth in the coming quarters. We know the Fed intends to raise rates again in December, which would bring the upper range of the federal funds rate to 2.50%. The terminal rate, or ending federal funds rate, in this hiking cycle could be as low as 3%, so only a few more rate hikes in 2019 and beyond would get us to that point. If trade does impact growth, we would not be surprised to see the Fed take a pause in the hiking cycle. Fed Chairman Powell has been very explicit that the incoming data will be used to make rate decisions. The Federal Open Market Committee does not wish to derail the economy prematurely by hiking rates too quickly. We do not see an inverted yield curve as being a short-term risk, but will be watching it carefully. We will monitor this along with other key data points for information on the economy as to how to position the Fund.

The Fund's performance noted above is at 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 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 noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy Government Securities Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	98.6%
United States Government and Government Agency Obligations	98.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.4%

Quality Weightings

Investment Grade	95.3%
AAA	46.5%
AA	48.8%
Non-Investment Grade	3.3%
Non-rated	3.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.4%

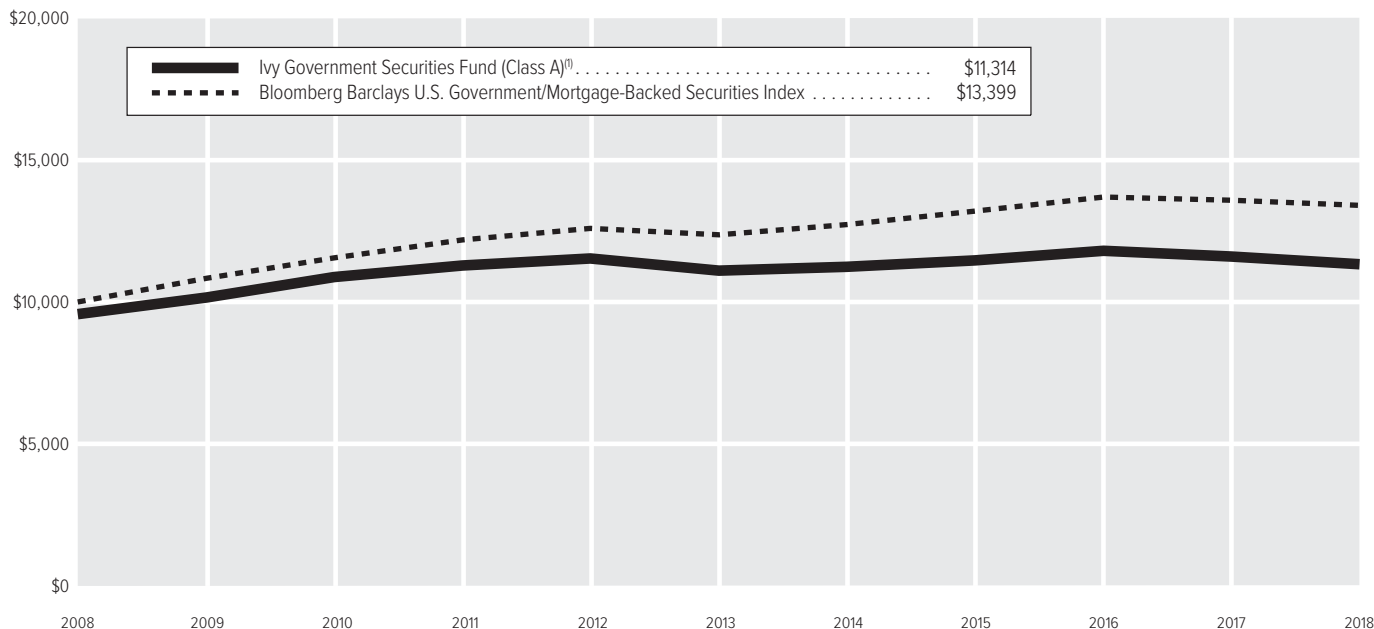
Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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 GOVERNMENT 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 N	Class R	Class Y
1-year period ended 9-30-18	-6.48%	-7.07%	-3.14%	—	-2.10%	—	—	—
5-year period ended 9-30-18	-0.44%	-0.89%	-0.44%	—	0.71%	—	—	—
10-year period ended 9-30-18	1.24%	0.80%	0.85%	—	2.00%	—	—	—
Since Inception of Class through 9-30-18 ⁽⁵⁾	—	—	—	-4.69%	—	-1.99%	-2.68%	-2.41%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A and Class E Shares carry a maximum front-end sales load of 4.25% and 2.50%, respectively. 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 N, 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.

(5) 10-16-17 for Class E shares, 10-16-17 for Class N shares, 10-16-17 for Class R shares and 10-16-17 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 GOVERNMENT SECURITIES FUND *(in thousands)*

SEPTEMBER 30, 2018

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

	Principal	Value
Agency Obligations – 7.1%		
Federal Farm Credit Bank:		
3.560%, 10–6–32	\$ 5,000	\$ 4,954
3.460%, 2–22–33	3,500	3,422
Federal Home Loan Bank,		
2.500%, 4–27–26	5,000	4,692
Tennessee Valley Authority,		
2.875%, 2–1–27	5,000	4,819
U.S. Department of Transportation,		
6.001%, 12–7–21 (A)	8,000	8,690
		<u>26,577</u>
Mortgage-Backed Obligations – 37.4%		
Federal Home Loan Mortgage		
Corp. Agency REMIC/CMO:		
2.790%, 6–25–22	7,250	7,111
5.000%, 5–15–23	836	862
3.000%, 10–15–36	3,007	2,972
Federal Home Loan Mortgage		
Corp. Fixed Rate Participation		
Certificates:		
3.400%, 6–1–31 (B)	3,000	2,860
4.000%, 10–1–44	2,326	2,356
3.000%, 4–15–46	2,845	2,753
3.000%, 4–15–53	3,574	3,410
Federal National Mortgage		
Association Agency REMIC/CMO:		
2.717%, 2–25–22	5,211	5,142
2.640%, 6–1–22	5,635	5,501
3.360%, 12–1–22	1,876	1,876
3.020%, 1–1–23	1,157	1,144
2.630%, 2–1–23	4,812	4,667
2.352%, 3–1–23	5,432	5,258
2.390%, 6–1–25	5,264	5,116
3.360%, 7–1–25	2,555	2,540
4.080%, 1–1–29	4,586	4,779
3.740%, 6–1–30	4,000	4,027
3.639%, 8–25–30	4,000	3,967
4.000%, 3–25–33	1,590	1,621
2.000%, 4–25–39	1,894	1,819
Federal National Mortgage		
Association Fixed Rate Pass-		
Through Certificates:		
4.478%, 12–1–19	4,506	4,560
5.380%, 11–1–20	212	212
4.381%, 6–1–21	4,497	4,615
2.759%, 4–1–22	6,596	6,484
2.705%, 4–1–23	3,144	3,063
2.000%, 10–1–27	1,716	1,644
4.000%, 12–1–31	1,428	1,463
4.000%, 12–1–32	3,623	3,698
5.500%, 12–1–34	437	473
3.500%, 4–25–37	2,402	2,391
6.000%, 4–1–39	234	252
3.000%, 11–25–42	4,870	4,715
4.500%, 2–1–44	2,685	2,809
4.000%, 10–1–44	2,605	2,638
2.500%, 5–25–45	6,676	6,329
4.500%, 2–1–48	2,758	2,865
3.000%, 2–25–57	3,638	3,222

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

(Continued)	Principal	Value
Mortgage-Backed Obligations (Continued)		
Government National Mortgage		
Association Agency REMIC/CMO:		
5.000%, 4–16–39	\$ 50	\$ 50
2.000%, 3–16–42	9,266	8,837
Government National Mortgage		
Association Fixed Rate Pass-		
Through Certificates:		
5.000%, 4–20–34	2,549	2,699
3.000%, 4–20–48	4,000	3,615
3.500%, 4–20–48	3,951	3,798
		<u>140,213</u>
United States Government Agency Obligations – 1.1%		
Overseas Private Investment Corp.		
(GTD by U.S. Government),		
5.142%, 12–15–23	1,747	1,838
Ukraine Government AID Bond,		
1.844%, 5–16–19	2,500	2,486
		<u>4,324</u>
TOTAL UNITED STATES GOVERNMENT		
AGENCY OBLIGATIONS – 45.6%		\$ 171,114
(Cost: \$176,577)		
UNITED STATES GOVERNMENT		
OBLIGATIONS		
Treasury Obligations – 53.0%		
U.S. Treasury Bonds:		
9.000%, 11–15–18	6,000	6,050
5.250%, 2–15–29	3,000	3,582
3.500%, 2–15–39	1,000	1,053
2.750%, 8–15–42	3,000	2,778
2.750%, 11–15–42	2,500	2,312
2.500%, 2–15–45	2,000	1,751
3.000%, 5–15–47	3,250	3,129
U.S. Treasury Notes:		
1.625%, 3–15–20	1,000	984
1.500%, 7–15–20	15,000	14,660
2.625%, 7–31–20	10,000	9,968
1.375%, 9–30–20	4,000	3,888
1.125%, 6–30–21	2,000	1,908
2.750%, 8–15–21	10,000	9,963
1.125%, 9–30–21	1,500	1,425
2.000%, 12–31–21	3,000	2,917
1.875%, 4–30–22	6,000	5,790
1.750%, 5–31–22	2,000	1,919
1.875%, 7–31–22	5,000	4,811
1.625%, 8–31–22	5,000	4,761
2.000%, 10–31–22	2,000	1,929
2.000%, 11–30–22	1,000	964
2.375%, 1–31–23	1,500	1,466
2.750%, 7–31–23	5,000	4,956
2.000%, 4–30–24	19,000	18,053
2.125%, 7–31–24	17,500	16,700
1.875%, 8–31–24	4,000	3,761
2.250%, 10–31–24	7,000	6,713

UNITED STATES GOVERNMENT OBLIGATIONS (Continued)

	Principal	Value
Treasury Obligations (Continued)		
2.250%, 11–15–24	\$ 6,380	\$ 6,115
2.125%, 11–30–24	5,000	4,756
2.500%, 1–31–25	2,000	1,943
2.750%, 2–28–25	3,000	2,957
2.875%, 7–31–25	10,000	9,916
2.000%, 8–15–25	4,000	3,749
1.625%, 2–15–26	5,000	4,538
1.625%, 5–15–26	5,500	4,976
2.250%, 2–15–27	7,500	7,061
2.375%, 5–15–27	7,000	6,647
2.250%, 8–15–27	3,500	3,283
2.875%, 5–15–28	2,500	2,463
4.375%, 2–15–38	2,000	2,360
		<u>198,955</u>
TOTAL UNITED STATES GOVERNMENT		
OBLIGATIONS – 53.0%		\$198,955
(Cost: \$206,723)		
SHORT-TERM SECURITIES		
Commercial Paper (C) – 0.1%		
Federal National Mortgage		
Association,		
2.010%, 10–1–18	359	359
United States Government Agency Obligations – 0.9%		
Overseas Private Investment Corp.		
(GTD by U.S. Government)		
(3-Month U.S. TB Rate):		
2.200%, 10–7–18(D)	406	406
2.220%, 10–7–18(D)	2,952	2,952
		<u>3,358</u>
TOTAL SHORT-TERM SECURITIES – 1.0%		\$ 3,717
(Cost: \$3,717)		
TOTAL INVESTMENT SECURITIES – 99.6%		\$373,786
(Cost: \$387,017)		
CASH AND OTHER ASSETS, NET		
OF LIABILITIES – 0.4%		1,463
NET ASSETS – 100.0%		\$375,249

SEPTEMBER 30, 2018

Notes to Schedule of Investments

(A) Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$8,690 or 2.3% of net assets.

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

(C) Rate shown is the yield to maturity at September 30, 2018.

(D) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
United States Government Agency Obligations	\$ —	\$ 171,114	\$ —
United States Government Obligations	—	198,955	—
Short-Term Securities	—	3,717	—
Total	\$ —	\$373,786	\$ —

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation

GTD = Guaranteed

REMIC = Real Estate Mortgage Investment Conduit

TB = Treasury Bill

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Ivy IG International Small Cap Fund is sub-advised by I.G. International Management Limited.

Below, Martin Fahey, CFA, Bryan Mattei, CFA, and Seamus Kelly, portfolio managers of the Ivy IG International Small Cap Fund, discuss positioning, performance and results for the fiscal year ended Sept. 30, 2018. Mr. Fahey has managed the Fund since its inception in January 2017 and has 30 years of industry experience. Mr. Mattei has managed the Fund since its inception in January 2017 and has 12 years of industry experience. Mr. Kelly was added as a portfolio manager in January 2018 and has 20 years of industry experience.

Fiscal Year Performance

For the 12 Months ended September 30, 2018

Ivy IG International Small Cap Fund (Class A shares at net asset value)	1.98%
Ivy IG International Small Cap Fund (Class A shares including sales load)	-3.92%
Benchmark(s) and/or Lipper Category	
MSCI EAFE Small Cap Index (generally reflects the performance of small-cap securities in Europe, Australasia and the Far East)	3.73%
Lipper International Small/Mid-Cap Growth Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	3.15%

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 (NAV).

A year in review

International markets delivered positive returns for the fiscal year ended Sept. 30, 2018, despite downward revisions to growth expectations versus the prior year and a challenging global trade and political backdrop. International small cap stocks continued to outperform large cap stocks during the twelve month period, though both posted positive returns.

Following a very strong market performance in 2017, international markets peaked in January 2018 and drifted lower throughout the remainder of the fiscal year. Economic growth expectations for the eurozone, while still positive, have been revised down since the first quarter of 2018, reflecting increasing geopolitical factors and global trade tensions that have impacted economic activity. In currency markets, the euro strength of late 2017 faded in the first quarter of 2018 due to Italian political risk and a general softening of eurozone economic indicators albeit from elevated levels. The euro finished the 12-month period 1.8% lower versus the U.S. dollar.

Japanese small cap stocks performed well during the 12-month period, outperforming the international small cap benchmark and European small cap stocks. The more domestic economic exposure of Japanese small caps provided some protection against rising global trade tensions. At a sector level, the energy sector, buoyed by the ongoing recovery in oil prices, posted the strongest sector performance in the period. The information technology and health care sectors also performed well. On the other hand, the consumer discretionary and financial sectors underperformed most other sectors.

Performance and positioning for the year

The Fund underperformed its benchmark and its Lipper peer group average for the fiscal year. Relative to its benchmark, sector allocation detracted from performance. The Fund's underweight position in the energy sector detracted from performance as did its underweight position in health care and overweight position in consumer discretionary. However, the Fund benefited from its underweight positioning in the financial sector. Stock selection within the information technology sector detracted from performance, while stock selection in the materials and financials sectors also negatively impacted the Fund's performance. The Fund benefited from strong stock selection in the consumer discretionary and industrial sectors. At a stock level, TP ICAP plc, Dialog Semiconductor plc, Maxell Holdings and Tadano Ltd. were the top detractors for the period, while Ubisoft Entertainment S.A., SG Holdings Co. Ltd., Games Workshop Group plc and NGK Spark Plug Co. Ltd. were the top positive contributors over the 12-month period. The Fund no longer holds Dialog Semiconductor plc.

We increased our exposure to Japanese equities over the year at the expense of Europe, as we expected a more challenging investment backdrop in Europe given the apparent lack of progress with Brexit negotiations and increased Italian political risks. We believe Japanese small cap companies offer a rich opportunity set of under-researched companies and as a group offer superior risk characteristics with historically greater resilience and more downside protection than Europe.

Outlook

While equity markets outside of the U.S. have already moved to discount the recent deterioration in the global growth outlook, the near-term investment backdrop also remains challenging. We remain conscious of the downside risks for markets and continue to monitor the potential impacts of tighter monetary policy, financial conditions and the maturity of the business cycle, particularly in the U.S.

Global trade tensions have the potential to further increase volatility across equity markets. The Sino-U.S. trade war appears poised to escalate further in the final quarter of 2018. The agreement of a new trade deal amongst the U.S., Canada and Mexico to replace NAFTA should be of minimal impact to Japan's exports within their automobile manufacturers and their supply chains. Within Japan, the Fund remains tilted to the domestic economy. We continue to anticipate that a rise in wages, combined with the weaker yen and higher oil prices, will drive a modest but unexpected increase in inflation expectations as the year progresses. Given the paltry yield on Japanese government bonds, we expect a rotation into Japanese equities by domestic investors.

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 and thus the lowest possible performance after sales charges, your sales charges could be lower.

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. Investing in small-cap stocks may carry more risk than investing in stocks of larger more well-established companies. 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 Fund is sub-advised by I.G. International Management Limited, which delegates to its subsidiary, I.G. Investment Management (Hong Kong) Limited, for additional portfolio management responsibilities. References to I.G. International Management Limited include both entities.

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 and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy IG International Small Cap Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	95.8%
Industrials	21.1%
Consumer Discretionary	19.9%
Information Technology	13.5%
Real Estate	11.0%
Materials	9.3%
Financials	8.7%
Health Care	4.6%
Consumer Staples	3.7%
Energy	2.4%
Utilities	1.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents⁺	4.2%

Country Weightings

Europe	49.1%
United Kingdom	12.8%
France	8.7%
Germany	8.3%
Ireland	7.2%
Other Europe	12.1%
Pacific Basin	46.3%
Japan	36.0%
Australia	5.6%
Other Pacific Basin	4.7%
North America	0.3%
Other	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents⁺	4.2%

Top 10 Equity Holdings

Company	Country	Sector	Industry
SCSK Corp.	Japan	Information Technology	IT Consulting & Other Services
SG Holdings Co. Ltd.	Japan	Industrials	Air Freight & Logistics
Matsumotokiyoshi Holdings Co. Ltd.	Japan	Consumer Staples	Drug Retail
NGK Spark Plug Co. Ltd.	Japan	Consumer Discretionary	Auto Parts & Equipment
Okamura Corp.	Japan	Industrials	Office Services & Supplies
Total Produce plc	Ireland	Consumer Staples	Food Distributors
Nifco, Inc.	Japan	Consumer Discretionary	Auto Parts & Equipment
OSG Corp.	Japan	Industrials	Industrial Machinery
TechnoPro Holdings, Inc.	Japan	Real Estate	Industrial REITs
Teleperformance SE	France	Industrials	Research & Consulting Services

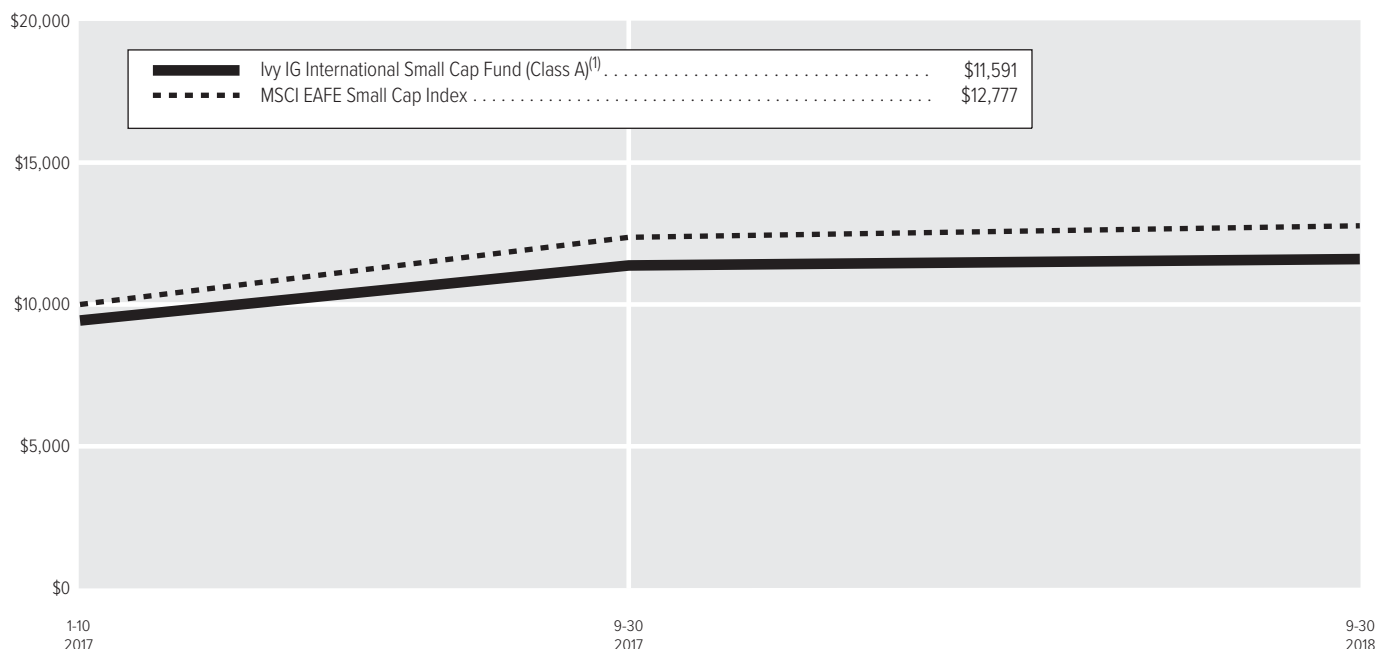
See your advisor or www.ivyinvestments.com for more information on the Fund's most recent published Top 10 Equity Holdings.

⁺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 IG INTERNATIONAL SMALL CAP 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 I	Class N	Class Y
1-year period ended 9-30-18	-3.92%	1.17%	2.33%	2.28%	1.98%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	8.96%	11.93%	13.17%	13.14%	12.78%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 1% (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class N 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) 1-10-17 for Class A shares, 1-10-17 for Class C shares, 1-10-17 for Class I shares, 1-10-17 for Class N shares and 1-10-17 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.

IVY IG INTERNATIONAL SMALL CAP FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Australia			Germany			Materials – 1.5%		
Consumer Discretionary – 1.5%			Health Care – 0.3%			Smurfit Kappa Group plc	64	\$ 2,541
Ardent Leisure Group	2,014	\$ 2,598	Sartorius AG	4	\$ 615			
						Total Ireland – 7.2%		12,511
Information Technology – 1.4%			Industrials – 2.7%			Isle Of Man		
carsales.com Ltd.	231	2,414	Duerr AG(B)	28	1,270	Consumer Discretionary – 1.6%		
			JOST Werke AG	13	505	GVC Holdings plc	224	2,677
Materials – 1.1%			Sixt SE	34	2,702			
Evolution Mining Ltd.	1,011	1,937			4,477	Information Technology – 0.9%		
			Information Technology – 3.6%			Strix Group plc(B)	728	1,591
Utilities – 1.6%			cyan AG(A)	25	802			
Spark Infrastructure Group	1,680	2,720	Mynaric AG(A)	26	1,643	Total Isle Of Man – 2.5%		4,268
			Rocket Internet SE(A)	52	1,619	Israel		
Total Australia – 5.6%		9,669	Serviceware SE(A)	53	1,485	Financials – 0.2%		
Austria			Stemmer Imaging AG(A)	13	693	Plus500 Ltd.	15	254
Industrials – 0.9%					6,242			
Andritz AG	27	1,559	Materials – 1.7%			Total Israel – 0.2%		254
			Aurubis AG	15	1,021	Italy		
Real Estate – 0.9%			Fuchs Petrolub SE	35	1,964	Financials – 0.6%		
Immofinanz AG(A)	59	1,549			2,985	Mediobanca S.p.A.	108	1,077
			Total Germany – 8.3%		14,319			
Total Austria – 1.8%		3,108	Hong Kong			Industrials – 0.2%		
Belgium			Financials – 0.8%			FILA Fabbrica Italiana Lapis ed		
Materials – 0.8%			Melco International Development			Affini S.p.A.(B)	13	264
Tessenderlo Chemie N.V.(A)	37	1,381	Ltd.	665	1,329	Prysmian S.p.A.	9	210
								474
Total Belgium – 0.8%		1,381	Industrials – 1.0%			Total Italy – 0.8%		1,551
Canada			Pacific Basin Shipping Ltd.	7,244	1,721	Japan		
Materials – 0.3%						Consumer Discretionary – 7.9%		
Lundin Mining Corp.	113	599	Total Hong Kong – 1.8%		3,050	Komeda Holdings Co. Ltd.	132	2,660
			Ireland			Maxell Holdings Ltd.	145	2,276
Total Canada – 0.3%		599	Consumer Discretionary – 1.5%			NGK Spark Plug Co. Ltd.	113	3,295
Estonia			Applegreen plc	28	217	Nifco, Inc.	109	2,920
Industrials – 0.5%			Dalata Hotel Group plc	310	2,467	Ryohin Keikaku Co. Ltd.	9	2,529
Tallinna Sadam AS(A)	364	887			2,684			13,680
			Consumer Staples – 1.7%			Consumer Staples – 2.0%		
Total Estonia – 0.5%		887	Total Produce plc(B)	1,213	2,971	Matsumotokiyoshi Holdings Co.		
France						Ltd.	86	3,507
Energy – 1.0%			Financials – 0.3%					
Rubis Group	32	1,742	Greencoat Renewables plc(B)	435	520	Financials – 2.8%		
						Bank of Kyoto Ltd. (The)	46	2,390
Financials – 0.8%			Health Care – 1.1%			Gunma Bank Ltd. (The)	459	2,363
Rothschild & Co.	34	1,437	Mainstay Medical International					4,753
			plc(A)(C)	42	799	Health Care – 1.6%		
Industrials – 3.9%			UDG Healthcare plc	125	1,113	Nippon Shinyaku Co. Ltd.	41	2,688
Alstom(A)	57	2,555			1,912			
Latecoere S.A.(A)	238	1,110	Industrials – 1.1%			Industrials – 8.3%		
Teleperformance SE	15	2,896	Irish Continental Group plc	120	725	Okamura Corp.	230	3,080
			Kingspan Group plc	25	1,158	OSG Corp.	128	2,919
					1,883	SG Holdings Co. Ltd.	145	3,804
Information Technology – 3.0%						Tadano Ltd.	186	2,160
Sopra Steria Group S.A.	17	2,733				Tsubaki Nakashima Co. Ltd.	120	2,466
Ubisoft Entertainment S.A.(A)	23	2,446						14,429

SCHEDULE OF INVESTMENTS

IVY IG INTERNATIONAL SMALL CAP FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS (Continued)	Shares	Value
Information Technology – 3.4%		
DISCO Corp.	11	\$ 1,858
SCSK Corp.	84	3,961
		<u>5,819</u>
Materials – 3.9%		
Maruichi Steel Tube Ltd.	83	2,694
Taiyo Nippon Sanso Corp.	107	1,599
Zeon Corp.	221	2,325
		<u>6,618</u>
Real Estate – 6.1%		
GLP J-REIT	3	2,843
Ichigo, Inc.	551	2,067
Kenedix Office Investment Corp. .	—*	2,808
TechnoPro Holdings, Inc.	47	2,904
		<u>10,622</u>
Total Japan – 36.0%		62,116
Luxembourg		
Real Estate – 1.1%		
Grand City Properties S.A.	75	1,951
		<u>1,951</u>
Total Luxembourg – 1.1%		1,951
Netherlands		
Information Technology – 1.2%		
ASM International N.V.	40	2,061
		<u>2,061</u>
Total Netherlands – 1.2%		2,061
Singapore		
Industrials – 0.5%		
Sembcorp Marine Ltd.	583	870
		<u>870</u>
Real Estate – 2.4%		
City Developments Ltd.	286	1,905
Manulife U.S. REIT	2,830	2,250
		<u>4,155</u>
Total Singapore – 2.9%		5,025
Spain		
Consumer Discretionary – 1.0%		
Telepizza Group S.A.	292	1,730
		<u>1,730</u>
Health Care – 0.7%		
Almirall S.A.	60	1,203
		<u>1,203</u>
Industrials – 0.3%		
Prosegur Compania de Seguridad S.A.	92	572
		<u>572</u>
Total Spain – 2.0%		3,505
Sweden		
Consumer Discretionary – 0.5%		
Dometic Group AB	101	887
		<u>887</u>
Total Sweden – 0.5%		887

COMMON STOCKS (Continued)	Shares	Value
Switzerland		
Financials – 0.8%		
Helvetia Holding AG	2	\$ 1,461
		<u>1,461</u>
Total Switzerland – 0.8%		1,461
United Kingdom		
Consumer Discretionary – 5.9%		
City Pub Group plc (The)	413	1,215
Coats Group plc	2,045	2,196
Future plc(A)	243	1,526
Games Workshop Group plc	52	2,584
JPJ Group plc(A)	116	1,153
Pendragon plc	1,506	534
ZEAL Network SE	37	919
		<u>10,127</u>
Consumer Staples – 0.0%		
McBride plc(A)	1,642	2
		<u>2</u>
Energy – 1.4%		
Premier Oil plc(A)(B)	1,362	2,458
		<u>2,458</u>
Financials – 2.4%		
Draper Esprit plc(A)	67	522
Sabre Insurance Group plc	200	691
St. James's Place plc	113	1,688
TP ICAP plc	352	1,225
		<u>4,126</u>
Health Care – 0.9%		
Sensyne Health plc(A)(D)	588	1,502
		<u>1,502</u>
Industrials – 1.7%		
Diploma plc	116	2,134
National Express Group plc	187	952
		<u>3,086</u>
Real Estate – 0.5%		
Great Portland Estates plc	95	827
		<u>827</u>
Total United Kingdom – 12.8%		22,128
TOTAL COMMON STOCKS – 95.8%		\$165,650
(Cost: \$159,829)		
SHORT-TERM SECURITIES	Principal	
Commercial Paper(E) – 1.0%		
Kroger Co. (The) 2.350%, 10-1-18 . .	\$ 1,757	1,757
		<u>1,757</u>
Master Note – 1.9%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps) 2.470%, 10-5-18(F)	3,287	3,287
		<u>3,287</u>
Money Market Funds – 2.2%		
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares 2.140%, (G)(H)	3,867	3,867
		<u>3,867</u>

	Value
TOTAL SHORT-TERM SECURITIES – 5.1%	\$ 8,911
(Cost: \$8,911)	
TOTAL INVESTMENT SECURITIES – 100.9%	\$ 174,561
(Cost: \$168,740)	
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.9)%	(1,625)
NET ASSETS – 100.0%	\$172,936

SEPTEMBER 30, 2018

Notes to Schedule of Investments

*Not shown due to rounding.

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

(B)All or a portion of securities with an aggregate value of \$2,874 are on loan.

(C)Restricted security. At September 30, 2018, the Fund owned the following restricted security:

Security	Acquisition Date(s)	Shares	Cost	Market Value
Mainstay Medical International plc	2-15-18	42	<u>\$734</u>	<u>\$799</u>

The total value of this security represented 0.5% of net assets at September 30, 2018.

(D)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$1,502 or 0.9% of net assets.

(E)Rate shown is the yield to maturity at September 30, 2018.

(F)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(G)Rate shown is the annualized 7-day yield at September 30, 2018.

(H)Investment made with cash collateral received from securities on loan.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$ 34,383	\$ —	\$—
Consumer Staples	6,478	2	—
Energy	4,200	—	—
Financials	14,957	—	—
Health Care	7,920	—	—
Industrials	36,519	—	—
Information Technology	23,306	—	—
Materials	16,061	—	—
Real Estate	19,104	—	—
Utilities	2,720	—	—
Total Common Stocks	\$165,648	\$ 2	\$—
Short-Term Securities	3,867	5,044	—
Total	\$ 169,515	\$5,046	\$—

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

LIBOR = London Interbank Offered Rate

REIT = Real Estate Investment Trust

SEPTEMBER 30, 2018

Market Sector Diversification

(as a % of net assets)

Industrials	21.1%
Consumer Discretionary	19.9%
Information Technology	13.5%
Real Estate	11.0%
Materials	9.3%
Financials	8.7%
Health Care	4.6%
Consumer Staples	3.7%
Energy	2.4%
Utilities	1.6%
Other+	4.2%

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

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Ivy Pictet Emerging Markets Local Currency Debt Fund is managed by Ivy Investment Management Company, which has retained Pictet Asset Management (Pictet) to sub-advise the Fund. Effective May 2018, Mary-Therese Barton, co-portfolio manager, was named Head of the Pictet Emerging Market Debt management team, replacing Simon Lue-Fong, who left the firm. Barton has managed the Fund since its inception in April 2014 and has 17 years industry experience. Alper Gocer was also named a co-portfolio manager on the Fund. Gocer has been with the firm since 2016 and has more than a decade of active emerging debt management experience. The Fund is managed by a team of six, including Barton and Gocer. The other co-portfolio managers are Wee-Ming Ting, Philippe Petit, Guido Chamorro and Carrie Liaw, each of whom has managed the Fund since its inception except for Liaw, who became co-portfolio manager in May 2015. Below, the investment team discusses positioning, performance and results for the Fund for its fiscal year ended September 30, 2018.

Fiscal Year Performance

For the 12 months ended September 30, 2018

Ivy Pictet Emerging Markets Local Currency Debt Fund (Class A shares at net asset value)	-11.01%
Ivy Pictet Emerging Markets Local Currency Debt Fund (Class A shares including sales load)	-16.15%
Benchmark(s) and/or Lipper Category	
J.P. Morgan GBI-EM Global Diversified Total Return Index (generally reflects the performance of the global debt market in emerging countries)	-7.40%
Lipper Emerging Markets Local Currency Debt Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-7.99%

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 (NAV).

A volatile year

The Fund underperformed its benchmark and Lipper peer group for the fiscal year ended Sept. 30, 2018, where active positions in both rates and currencies detracted. Active currency trades were the largest detractor as we saw heightened levels of volatility in 2018. An underweight to the South African rand as well as South African local rates were key detractors to performance for the year. This was backed by our concerns over the economy, credit rating downgrades and potential outflows from a large foreign investor base in the face of rising global core yields. However, South African bonds and the currency rallied as President Zuma was replaced and Moody's raised their outlook to 'stable' from 'negative'. Performance from active positioning in South Africa was mixed but detracted overall over the 12 months. Timing of an underweight to local rates was positive, but this was more than offset by an underweight to the South African rand which rallied on the back of a new leader elected to the African National Congress political party. We saw a similar story in Mexico where an underweight to Mexican local rates in the fourth quarter of 2017 contributed to performance but coming into 2018, it detracted where positive global investor sentiment and more constructive NAFTA negotiations overshadowed the Mexican interest rate hiking cycle and lackluster economic data. The Fund's underweight to the Mexican peso was a solid contributor in the same period as it declined 8.6% during the second quarter of 2018. Our defensive position in Turkey contributed to performance, as did the timing of an overweight to the Brazilian real as officials in Brazil signaled the path of monetary easing would be moderate. In addition, the former president Lula da Silva was eventually ruled out of the presidential elections in October. An underweight to the Chilean peso also contributed after detracted initially as growth became more solid.

Portfolio strategy

Our current strategy is to be overall underweight local rates — but with some differentiation across markets. With higher trending global core yields and higher commodity prices this supports our overall bias. Markets with low real rates, inflationary pressures in the pipeline or poor fiscal dynamics are prime candidates. Turkey, Romania, Hungary and Poland are prime examples. We do however recognize much better value across some of the more fundamentally sound stories in emerging markets and we are actively exploring these from the long side.

We remain more constructive in Mexican rates and await tactical opportunities on the South African curve. We expect differentiation themes to be increasingly at play into year end after the broad based sell-off this year and we see a rich environment for relative value plays ahead.

Outlook

Sentiment towards emerging markets is continuing to stabilize following a series of more constructive developments in some of the stressed stories, such as Turkey and Argentina. That said, the outlook remains challenging still going into year-end as a renewed push higher in core rates puts further pressure on emerging market funding. Not all of it is bad news as the core rates recovery is at least partially a reflection of high growth expectations for the U.S. and improved expectations for Europe — thus spilling over positively to the global economy. However, the latest leg higher in oil is also partly to blame and it looks to be mostly a supply side driven shock, with the potential to start creating a drag on global growth and so it needs close monitoring. This is creating a mixed environment for emerging markets with a sharper distinction between oil importers and exporters. Upcoming Brazilian elections are a source of near term uncertainty, with the reform outlook heavily influenced by the final outcome. We are following the elections closely for changes to our mid-term outlook for Brazil. The imposition of the latest tariffs on goods from China was taken well by the market and good news on trade is coming in the form of a renegotiated NAFTA, removing a significant source of uncertainty for the outlooks of Mexico, the U.S. and Canada.

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 Fund's net asset value may fall as interest rates rise, especially securities with longer maturities. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds. The Fund may seek to manage exposure to various foreign currencies, which may involve additional risks. The value of securities, as measured in U.S. dollars, may be unfavorably affected by changes in foreign currency exchange rates or exchange control regulations. Investing in foreign securities involves a number of risks that may not be associated with the U.S. markets and that could affect the Fund's performance unfavorably, such as greater price volatility; comparatively weak supervision and regulation of securities exchanges, fluctuation in foreign currency exchange rates and related conversion costs, adverse foreign tax consequences, or different and/or less stringent financial reporting standards. Sovereign debt instruments are also subject to the risk that a government or agency issuing the debt may be unable to pay interest and/or principal due to cash flow problems, insufficient foreign currency reserves or political concerns. Risks of credit-linked notes include those risks associated with the underlying reference obligation, including but not limited to market risk, interest rate risk, credit risk, default risk and foreign currency risk. The buyer of a credit-linked note assumes the risk of default by the issuer and the underlying reference asset or entity. If the underlying investment defaults, the payments and principal received by the Fund will be reduced or eliminated. Also, in the event the issuer defaults or there is a credit event that relates to the reference asset, the recovery rate generally is less than the Fund's initial investment, and the Fund may lose money. The use of derivatives presents several risks including the risk that fluctuation 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. Moreover, some derivatives are more sensitive to interest rate changes and market fluctuations than others, and the risk of loss may be greater than if the derivative technique(s) had not been used. Derivatives also may be subject to counterparty risk, which includes the risk that a loss may be sustained by the Fund as a result of the insolvency or bankruptcy of, or other non-compliance by, another party to the transaction. 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 and includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Pictet Emerging Markets Local Currency Debt Fund's performance.

PORTFOLIO HIGHLIGHTS

IVY PICTET EMERGING MARKETS LOCAL CURRENCY DEBT FUND

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	85.3%
Other Government Securities	85.3%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	14.7%

Quality Weightings

Investment Grade	67.0%
A	21.8%
BBB	45.2%
Non-Investment Grade	18.3%
BB	16.2%
B	0.5%
Non-rated	1.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	14.7%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

Country Weightings

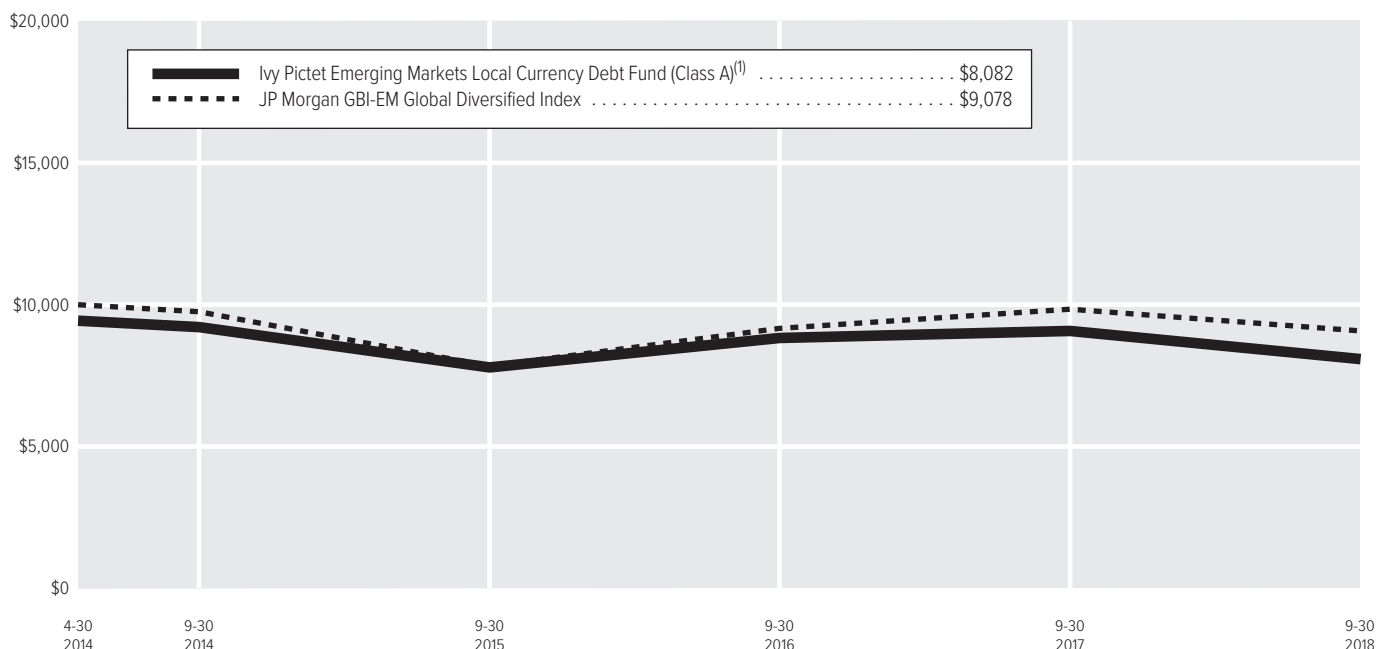
Pacific Basin	25.7%
Thailand	10.5%
Malaysia	4.5%
Indonesia	4.1%
Philippines	3.7%
Other Pacific Basin	2.9%
South America	24.7%
Chile	5.5%
Columbia	5.5%
Uruguay	5.1%
Brazil	4.6%
Peru	4.0%
Europe	18.6%
Romania	5.2%
Russia	4.5%
Czech Republic	4.4%
Hungary	3.8%
Other Europe	0.7%
Other	6.4%
South Africa	5.9%
Other	0.5%
Bahamas/Caribbean	5.1%
Dominican Republic	5.1%
North America	4.8%
Mexico	4.8%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	14.7%

+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 PICTET EMERGING MARKETS LOCAL CURRENCY DEBT 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 N	Class R	Class Y
1-year period ended 9-30-18	-16.15%	-11.56%	-12.98%	-10.56%	-10.56%	-11.23%	-11.00%
5-year period ended 9-30-18	—	—	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	-4.70%	-4.10%	-3.90%	-3.11%	-1.68%	-3.65%	-3.39%

(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.ivyinvestments.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% and 2.50%, respectively. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 1% (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class N, 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) 4-30-14 for Class A shares, 4-30-14 for Class C shares, 4-30-14 for Class E shares, 4-30-14 for Class I shares, 1-30-15 for Class N shares, 4-30-14 for Class R shares and 4-30-14 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 PICTET EMERGING MARKETS LOCAL CURRENCY DEBT FUND *(in thousands)*

SEPTEMBER 30, 2018

OTHER GOVERNMENT SECURITIES (A)	Principal	Value	OTHER GOVERNMENT SECURITIES (A) (Continued)	Principal	Value	OTHER GOVERNMENT SECURITIES (A) (Continued)	Principal	Value
Brazil – 4.6%			Indonesia – 4.1%			Romania – 5.2%		
Brazil Letras do Tesouro			Indonesia Government Bond:			Romania Government Bond:		
Nacional:			5.625%, 5-15-23(B) IDR	24,000,000	\$ 1,462	2.500%, 4-29-19(B) RON	5,000	\$ 1,242
0.000%, 1-1-20(B)(D) BRL	2,000	\$ 448	9.000%, 3-15-29(B)	11,485,000	807	5.750%, 4-29-20(B)	6,070	1,564
0.000%, 7-1-20(B)(D)	4,000	854	8.375%, 3-15-34(B)	48,338,000	3,180	5.950%, 6-11-21(B)	820	214
0.000%, 7-1-21(B)(D)	4,900	935	8.750%, 2-15-44(B)	4,600,000	299	4.000%, 10-27-21(B)	5,140	1,274
0.000%, 1-1-22(B)(D)	2,000	359				5.850%, 4-26-23(B)	7,900	2,095
Brazil Notas do Tesouro					5,748	4.750%, 2-24-25(B)	515	130
Nacional:			Malaysia – 4.5%			5.800%, 7-26-27(B)(C)	3,240	864
0.000%, 1-1-21(B)(D)	4,300	1,075	Malaysia Government Bond:					7,383
10.000%, 1-1-23(B)	3,200	770	3.759%, 3-15-19(B) MYR	714	173	Russia – 4.5%		
0.000%, 1-1-25(B)(D)	3,045	711	5.734%, 7-30-19(B)	1,967	485	Russia Government Bond:		
10.000%, 1-1-27(B)	3,587	815	3.654%, 10-31-19(B)	558	135	7.000%, 8-16-23(B) RUB	49,795	730
10.000%, 1-1-29(B)	2,300	513	3.226%, 4-15-20(B)	7,030	1,694	7.100%, 10-16-24(B)	20,000	290
		6,480	3.882%, 3-10-22(B)	1,690	412	8.150%, 2-3-27(B)	50,238	757
Chile – 5.5%			3.948%, 4-14-22(B)	650	158	7.050%, 1-19-28(B)	283,441	3,963
Chile Bonos Tesoreria:			3.418%, 8-15-22(B)	1,070	255	Russian Federation		
4.500%, 2-28-21(B) CLP	525,000	812	4.181%, 7-15-24(B)	1,250	306	6.800%, 12-11-19(B)	40,000	608
4.500%, 3-1-26(B)	1,995,000	3,036	4.392%, 4-15-26(B)	3,700	907			6,348
5.000%, 3-1-35(B)	1,180,000	1,798	3.900%, 11-30-26(B)	900	214	Senegal – 0.5%		
6.000%, 1-1-43(B)	665,000	1,132	4.498%, 4-15-30(B)	1,118	271	Republic of Senegal:		
Republic of Chile			4.127%, 4-15-32(B)	681	158	4.750%, 3-13-30(B) EUR	227	255
5.500%, 8-5-20(B)	681,000	1,066	4.762%, 4-7-37(B)	3,918	951	6.750%, 3-13-48 \$	541	482
		7,844	4.893%, 6-8-38(B)	201	50			737
Columbia – 5.5%			4.935%, 9-30-43(B)	760	185	South Africa – 5.9%		
Colombian TES:			4.736%, 3-15-46(B)	200	47	Republic of South Africa:		
11.000%, 7-24-20(B) COP	4,100,000	1,522			6,401	6.750%, 3-31-21(B) ZAR	21,000	1,448
7.000%, 5-4-22(B)	2,690,000	943	Mexico – 4.8%			10.500%, 12-21-26(B)	24,663	1,889
10.000%, 7-24-24(B)	2,875,000	1,142	Mexican Bonos:			8.000%, 1-31-30(B)	23,800	1,520
6.250%, 11-26-25(B)	3,500,000	1,162	8.500%, 12-13-18(B) MXN	8,000	427	7.000%, 2-28-31(B)	9,000	522
7.500%, 8-26-26(B)	2,655,700	940	5.000%, 12-11-19(B)	33,500	1,731	6.250%, 3-31-36(B)	1,488	75
6.000%, 4-28-28(B)	2,128,500	674	6.500%, 6-10-21(B)	37,000	1,917	8.500%, 1-31-37(B)	13,519	849
7.750%, 9-18-30(B)	2,333,600	830	10.000%, 12-5-24(B)	17,395	1,030	6.500%, 2-28-41(B)	9,800	483
7.000%, 6-30-32(B)	1,600,000	528	5.750%, 3-5-26(B)	6,825	322	8.750%, 1-31-44(B)	3,500	220
		7,741	8.500%, 5-31-29(B)	4,000	222	8.750%, 2-28-48(B)	21,438	1,348
Czech Republic – 4.4%			7.750%, 5-29-31(B)	12,730	666			8,354
Czech Republic			7.750%, 11-23-34(B)	4,000	207	Thailand – 10.5%		
Government Bond:			10.000%, 11-20-36(B)	2,300	145	Thailand Government Bond:		
0.000%, 2-10-20(B)(D) CZK	14,000	619	8.500%, 11-18-38(B)	2,083	116	3.450%, 3-8-19(B) THB	20,590	642
3.750%, 9-12-20(B)	21,000	988			6,783	3.875%, 6-13-19(B)	128,496	4,033
0.450%, 10-25-23(B)	32,430	1,361	Peru – 4.0%			5.375%, 12-3-19(B)	117,000	3,767
2.400%, 9-17-25(B)	5,900	271	Republic of Peru:			3.850%, 12-12-25(B)	27,050	905
1.000%, 6-26-26(B)	35,990	1,494	5.700%, 8-12-24(B) PEN	2,066	652	2.875%, 12-17-28(B)	44,000	1,366
2.500%, 8-25-28(B)	19,860	920	6.350%, 8-12-28(B)	3,660	1,165	3.775%, 6-25-32(B)	76,052	2,511
0.950%, 5-15-30(B)	15,500	604	6.950%, 8-12-31(B)	1,570	519	3.400%, 6-17-36(B)	53,671	1,690
		6,257	6.900%, 8-12-37(B)	5,597	1,798			14,914
Dominican Republic – 5.1%			6.850%, 2-12-42(B)	4,996	1,589	Turkey – 2.9%		
Dominican Republic					5,723	Turkey Government Bond:		
8.900%, 2-15-23(B) DOP	362,550	7,192	Philippines – 3.7%			11.100%, 5-15-19(B) TRY	240	37
Hungary – 3.8%			Republic of Philippines:			10.500%, 1-15-20(B)	4,000	566
Hungary Government Bond:			3.900%, 11-26-22(B) PHP	116,000	2,009	7.400%, 2-5-20(B)	1,800	244
6.500%, 6-24-19(B) HUF	24,000	90	6.250%, 1-14-36(B)	188,000	3,294	11.000%, 3-2-22(B)	7,295	893
1.000%, 9-23-20(B)	200,000	716			5,303	8.500%, 9-14-22(B)	1,010	108
1.750%, 10-26-22(B)	132,000	466	Poland – 0.7%			16.200%, 6-14-23(B)	4,424	636
6.000%, 11-24-23(B)	67,240	283	Poland Government Bond:			8.800%, 9-27-23(B)	6,860	739
3.000%, 6-26-24(B)	337,120	1,225	2.500%, 7-25-26(B) PLN	1,790	465	10.400%, 3-20-24(B)	1,070	129
2.750%, 12-22-26(B)	377,160	1,286	2.500%, 7-25-27(B)	730	187	8.000%, 3-12-25(B)	3,780	389
3.000%, 10-27-27(B)	394,530	1,355	2.750%, 4-25-28(B)	1,160	302	10.600%, 2-11-26(B)	3,481	394
		5,421			954	11.000%, 2-24-27(B)	250	29
								4,164

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OTHER GOVERNMENT SECURITIES (A)	Principal	Value	SHORT-TERM SECURITIES	Principal	Value	SHORT-TERM SECURITIES (Continued)	Principal	Value
Uruguay – 5.1%			Commercial Paper(E) – 6.0%			Nigeria Government Treasury Bills – 2.4%		
Republica Orient Uruguay:			Diageo Capital plc (GTD by Diageo plc)			Nigerian Government Treasury Bills		
9.875%, 6-20-22(B)	UYU 135,430	\$ 4,039	2.870%, 10-11-18	\$ 2,482	\$ 2,480	0.119%, 12-6-18(B)(E)	NGN 1,270,000	\$ 3,406
8.500%, 3-15-28(B)	124,537	3,261	PACCAR Financial Corp. (GTD by PACCAR, Inc.)					
		7,300	2.410%, 10-22-18	3,000	2,995	TOTAL SHORT-TERM SECURITIES – 11.7%		\$ 16,579
TOTAL OTHER GOVERNMENT SECURITIES – 85.3%		\$121,047	Wisconsin Gas LLC			(Cost: \$16,622)		
(Cost: \$130,769)			2.201%, 10-4-18	3,000	2,999	TOTAL INVESTMENT SECURITIES – 97.0%		\$137,626
					8,474	(Cost: \$147,391)		
			Master Note – 2.7%			CASH AND OTHER ASSETS, NET OF LIABILITIES(I)(J)(K) – 3.0%		4,274
			Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps)			NET ASSETS – 100.0%		\$141,900
			2.470%, 10-5-18(F)	3,867	3,867			
			Money Market Funds – 0.6%					
			Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares					
			2.140%, (G)(H)	832	832			

Notes to Schedule of Investments

*Not shown due to rounding.

(A)Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(B)Principal amounts are denominated in the indicated foreign currency, where applicable (BRL - Brazilian Real, CLP - Chilean Peso, COP - Colombian Peso, CZK - Czech Koruna, DOP - Dominican Republic peso, EUR - Euro, HUF - Hungarian Forint, IDR - Indonesian Rupiah, INR - Indian Rupee, MXN - Mexican Peso, MYR - Malaysian Ringgit, NGN - Nigeria naira, PEN - Peruvian Nuevo Sol, PHP - Philippine Peso, PLN - Polish Zloty, RON - Romania Leu, RUB - Russian Ruble, SGD - Singapore Dollar, THB - Thai Baht, TRY - Turkish New Lira, UYU - Uruguay peso and ZAR - South African Rand).

(C)All or a portion of securities with an aggregate value of \$732 are on loan.

(D)Zero coupon bond.

(E)Rate shown is the yield to maturity at September 30, 2018.

(F)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(G)Rate shown is the annualized 7-day yield at September 30, 2018.

(H)Investment made with cash collateral received from securities on loan.

(I)Cash of \$39 has been pledged as collateral on open futures contracts.

(J)Cash of \$690 has been pledged as collateral on OTC foreign forward currency contracts.

(K)Cash of \$269 has been pledged as collateral on centrally cleared interest rate swap agreements.

The following over the counter credit default swaps - buy protection⁽¹⁾ were outstanding at September 30, 2018:

Referenced Obligation	Counterparty	(Pay) Fixed Rate	Maturity Date	Notional Amount ⁽²⁾	Value	Upfront Payments/ (Receipts)	Unrealized Depreciation
Republic of Korea	Morgan Stanley & Co. International plc	(1.000%)	12-20-21	323	\$ (7)	\$(5)	\$(2)
Republic of Korea	Goldman Sachs International	(1.000%)	12-20-21	74	(2)	(1)	(1)
Republic of Korea	Goldman Sachs International	(1.000%)	12-20-21	74	(2)	(1)	(1)
Republic of Korea	Citibank N.A.	(1.000%)	12-20-21	73	(2)	(1)	(1)
					\$(13)	\$(8)	\$(5)

SEPTEMBER 30, 2018

(1) If the Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of the swap agreement.

The following forward foreign currency contracts were outstanding at September 30, 2018:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
Singapore Dollar	1,668	U.S. Dollar	1,219	10-1-18	Barclays Capital, Inc.	\$ —	\$ 2
Brazilian Real	590	U.S. Dollar	145	10-2-18	Barclays Capital, Inc.	—	1
U.S. Dollar	937	Argentine Peso	29,150	10-5-18	Barclays Capital, Inc.	—	234
U.S. Dollar	1,925	Colombian Peso	5,648,625	10-5-18	Barclays Capital, Inc.	—	18
U.S. Dollar	1,719	Philippine Peso	93,373	10-5-18	Barclays Capital, Inc.	9	—
Polish Zloty	3,035	Euro	708	10-9-18	Barclays Capital, Inc.	—	1
U.S. Dollar	774	Thai Baht	25,400	10-9-18	Barclays Capital, Inc.	11	—
South African Rand	11,304	U.S. Dollar	822	10-10-18	Barclays Capital, Inc.	24	—
		Chinese Yuan					
U.S. Dollar	436	Renminbi Offshore	2,980	10-10-18	Barclays Capital, Inc.	—	3
U.S. Dollar	17	Hungarian Forint	4,810	10-17-18	Barclays Capital, Inc.	—	—*
Czech Koruna	21,361	U.S. Dollar	947	10-22-18	Barclays Capital, Inc.	—	16
U.S. Dollar	1,165	Indonesian Rupiah	16,680,000	10-24-18	Barclays Capital, Inc.	—	49
Israeli Shekel	1,575	U.S. Dollar	441	10-25-18	Barclays Capital, Inc.	8	—
Mexican Peso	2,493	U.S. Dollar	132	10-26-18	Barclays Capital, Inc.	—	1
Russian Ruble	57,974	U.S. Dollar	862	10-29-18	Barclays Capital, Inc.	—	20
U.S. Dollar	1,772	New Taiwan Dollar	54,200	10-29-18	Barclays Capital, Inc.	11	—
Colombian Peso	1,680,000	U.S. Dollar	541	11-6-18	Barclays Capital, Inc.	—	26
U.S. Dollar	1,661	Peruvian New Sol	5,526	11-6-18	Barclays Capital, Inc.	9	—
U.S. Dollar	1,513	Malaysian Ringgit	6,217	11-14-18	Barclays Capital, Inc.	—	12
Thai Baht	6,303	U.S. Dollar	193	11-23-18	Barclays Capital, Inc.	—	2
U.S. Dollar	876	Indonesian Rupiah	13,100,000	11-26-18	Barclays Capital, Inc.	—	5
South African Rand	9,964	U.S. Dollar	663	12-4-18	Barclays Capital, Inc.	—	35
Russian Ruble	5,288	U.S. Dollar	79	12-18-18	Barclays Capital, Inc.	—	1
U.S. Dollar	1,026	Russian Ruble	69,795	12-18-18	Barclays Capital, Inc.	31	—
U.S. Dollar	441	Chilean Peso	302,000	12-20-18	Barclays Capital, Inc.	19	—
Argentine Peso	9,460	U.S. Dollar	298	1-3-19	Barclays Capital, Inc.	93	—
U.S. Dollar	165	Colombian Peso	510,000	10-2-18	Citibank N.A.	7	—
Thai Baht	28,600	U.S. Dollar	878	10-3-18	Citibank N.A.	—	6
Singapore Dollar	10	U.S. Dollar	7	10-5-18	Citibank N.A.	—*	—
Thai Baht	5,276	U.S. Dollar	162	10-5-18	Citibank N.A.	—	2
U.S. Dollar	220	Argentine Peso	6,910	10-5-18	Citibank N.A.	—	54
U.S. Dollar	1,050	Colombian Peso	3,170,000	10-5-18	Citibank N.A.	20	—
U.S. Dollar	832	Turkish New Lira	4,039	10-5-18	Citibank N.A.	—	164
Singapore Dollar	1,040	U.S. Dollar	754	10-9-18	Citibank N.A.	—	7
Thai Baht	206,500	U.S. Dollar	6,233	10-9-18	Citibank N.A.	—	154
U.S. Dollar	452	New Taiwan Dollar	13,900	10-11-18	Citibank N.A.	4	—
U.S. Dollar	886	Turkish New Lira	4,443	10-12-18	Citibank N.A.	—	155
Mexican Peso	14,450	U.S. Dollar	746	10-15-18	Citibank N.A.	—	24
Hungarian Forint	37,000	U.S. Dollar	135	10-17-18	Citibank N.A.	2	—
U.S. Dollar	667	Hungarian Forint	187,000	10-17-18	Citibank N.A.	4	—
Thai Baht	10,000	U.S. Dollar	309	10-22-18	Citibank N.A.	—	1
U.S. Dollar	2,398	Czech Koruna	52,395	10-22-18	Citibank N.A.	—	35
		Chinese Yuan					
U.S. Dollar	436	Renminbi	3,000	10-29-18	Citibank N.A.	—	—*

SCHEDULE OF INVESTMENTS

IVY PICTET EMERGING MARKETS LOCAL CURRENCY DEBT FUND *(in thousands)*

SEPTEMBER 30, 2018

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
U.S. Dollar	342	Turkish New Lira	1,840	10-31-18	Citibank N.A.	\$ —	\$43
South African Rand	5,007	U.S. Dollar	369	11-1-18	Citibank N.A.	17	—
U.S. Dollar	96	Mexican Peso	1,843	11-5-18	Citibank N.A.	2	—
Hungarian Forint	38,000	U.S. Dollar	138	11-7-18	Citibank N.A.	1	—
U.S. Dollar	1,058	Hungarian Forint	298,587	11-7-18	Citibank N.A.	18	—
U.S. Dollar	888	Indonesian Rupiah	13,300,000	11-7-18	Citibank N.A.	—	1
U.S. Dollar	781	Romanian Leu	3,123	11-13-18	Citibank N.A.	—	3
Hungarian Forint	316,000	U.S. Dollar	1,127	11-14-18	Citibank N.A.	—	11
U.S. Dollar	759	Hungarian Forint	215,000	11-14-18	Citibank N.A.	16	—
U.S. Dollar	3,505	Polish Zloty	12,753	11-26-18	Citibank N.A.	—	42
Colombian Peso	320,000	U.S. Dollar	104	12-4-18	Citibank N.A.	—	4
South African Rand	8,000	U.S. Dollar	517	12-4-18	Citibank N.A.	—	44
South African Rand	15,436	U.S. Dollar	1,003	12-6-18	Citibank N.A.	—	79
Czech Koruna	2,400	U.S. Dollar	109	12-11-18	Citibank N.A.	—	—*
Peruvian New Sol	700	U.S. Dollar	210	12-11-18	Citibank N.A.	—	2
U.S. Dollar	261	Romanian Leu	1,045	12-11-18	Citibank N.A.	—	—*
U.S. Dollar	3,870	Polish Zloty	14,150	10-2-18	Deutsche Bank AG	—	32
Polish Zloty	1,150	U.S. Dollar	305	10-5-18	Deutsche Bank AG	—	7
Turkish New Lira	1,519	U.S. Dollar	240	10-5-18	Deutsche Bank AG	—	11
U.S. Dollar	359	Philippine Peso	19,400	10-5-18	Deutsche Bank AG	—	—*
U.S. Dollar	954	Polish Zloty	3,590	10-5-18	Deutsche Bank AG	20	—
Euro	330	Polish Zloty	1,425	10-9-18	Deutsche Bank AG	4	—
Euro	571	Romanian Leu	2,660	10-9-18	Deutsche Bank AG	—*	—
Romanian Leu	1,535	Euro	327	10-9-18	Deutsche Bank AG	—	4
South African Rand	2,000	U.S. Dollar	139	10-9-18	Deutsche Bank AG	—	2
Thai Baht	14,300	U.S. Dollar	439	10-9-18	Deutsche Bank AG	—	3
U.S. Dollar	886	Mexican Peso	16,800	10-15-18	Deutsche Bank AG	9	—
U.S. Dollar	983	Polish Zloty	3,592	10-15-18	Deutsche Bank AG	—	8
Hungarian Forint	61,147	U.S. Dollar	219	10-17-18	Deutsche Bank AG	—	1
U.S. Dollar	454	Hungarian Forint	127,020	10-17-18	Deutsche Bank AG	2	—
U.S. Dollar	170	Czech Koruna	3,700	10-22-18	Deutsche Bank AG	—	3
Israeli Shekel	1,575	U.S. Dollar	440	10-25-18	Deutsche Bank AG	7	—
U.S. Dollar	585	Turkish New Lira	3,750	10-31-18	Deutsche Bank AG	25	—
U.S. Dollar	78	South African Rand	1,041	11-1-18	Deutsche Bank AG	—	5
Hungarian Forint	214,000	U.S. Dollar	753	11-14-18	Deutsche Bank AG	—	18
U.S. Dollar	1,533	Hungarian Forint	433,500	11-14-18	Deutsche Bank AG	29	—
Polish Zloty	1,970	U.S. Dollar	533	12-5-18	Deutsche Bank AG	—	3
U.S. Dollar	179	Argentine Peso	5,640	1-3-19	Deutsche Bank AG	—	57
U.S. Dollar	232	Brazilian Real	960	10-2-18	Goldman Sachs International	5	—
U.S. Dollar	770	Thai Baht	25,500	10-3-18	Goldman Sachs International	19	—
U.S. Dollar	577	Colombian Peso	1,695,000	10-5-18	Goldman Sachs International	—	5
Chilean Peso	258,500	U.S. Dollar	383	10-9-18	Goldman Sachs International	—	10
Polish Zloty	3,035	Euro	708	10-9-18	Goldman Sachs International	—	—*
Romanian Leu	580	U.S. Dollar	146	10-9-18	Goldman Sachs International	2	—
South African Rand	2,900	U.S. Dollar	216	10-10-18	Goldman Sachs International	11	—
U.S. Dollar	376	Chinese Yuan Renminbi	2,574	10-11-18	Goldman Sachs International	—	2

SCHEDULE OF INVESTMENTS

IVY PICTET EMERGING MARKETS LOCAL CURRENCY DEBT FUND *(in thousands)*

SEPTEMBER 30, 2018

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
U.S. Dollar	924	Mexican Peso	17,500	10-15-18	Goldman Sachs International	\$ 9	\$ —
South African Rand	13,361	U.S. Dollar	934	10-16-18	Goldman Sachs International	—	9
Romanian Leu	1,226	U.S. Dollar	298	10-17-18	Goldman Sachs International	—	8
U.S. Dollar	492	Hungarian Forint	136,606	10-17-18	Goldman Sachs International	—	1
Turkish New Lira	6,213	U.S. Dollar	998	10-23-18	Goldman Sachs International	—	17
U.S. Dollar	455	Mexican Peso	8,657	10-24-18	Goldman Sachs International	6	—
U.S. Dollar	131	Russian Ruble	9,034	10-29-18	Goldman Sachs International	6	—
Mexican Peso	4,600	U.S. Dollar	244	11-5-18	Goldman Sachs International	—	1
U.S. Dollar	430	Mexican Peso	8,100	11-5-18	Goldman Sachs International	1	—
U.S. Dollar	127	Romanian Leu	510	11-13-18	Goldman Sachs International	—	—*
Romanian Leu	2,037	U.S. Dollar	512	12-5-18	Goldman Sachs International	5	—
Russian Ruble	17,900	U.S. Dollar	258	12-5-18	Goldman Sachs International	—	14
U.S. Dollar	294	Russian Ruble	20,200	12-5-18	Goldman Sachs International	12	—
U.S. Dollar	289	Romanian Leu	1,160	12-6-18	Goldman Sachs International	—	—*
U.S. Dollar	98	Turkish New Lira	666	12-10-18	Goldman Sachs International	7	—
Mexican Peso	2,100	U.S. Dollar	108	12-11-18	Goldman Sachs International	—	3
Russian Ruble	67,100	U.S. Dollar	1,002	12-18-18	Goldman Sachs International	—	13
Chilean Peso	297,000	U.S. Dollar	448	12-20-18	Goldman Sachs International	—	4
U.S. Dollar	837	Turkish New Lira	4,480	2-4-19	Goldman Sachs International	—	152
Euro	980	Singapore Dollar	1,571	10-1-18	JPMorgan Securities LLC	12	—
U.S. Dollar	1,200	Euro	1,036	10-1-18	JPMorgan Securities LLC	3	—
Brazilian Real	4,242	U.S. Dollar	1,049	10-2-18	JPMorgan Securities LLC	—	1
Colombian Peso	510,000	U.S. Dollar	174	10-2-18	JPMorgan Securities LLC	2	—
U.S. Dollar	1,273	Brazilian Real	5,298	10-2-18	JPMorgan Securities LLC	39	—
Singapore Dollar	2,290	U.S. Dollar	1,680	10-3-18	JPMorgan Securities LLC	4	—
Thai Baht	27,600	U.S. Dollar	853	10-3-18	JPMorgan Securities LLC	—	1
U.S. Dollar	1,763	Singapore Dollar	2,410	10-3-18	JPMorgan Securities LLC	—	—*
U.S. Dollar	765	Thai Baht	25,400	10-3-18	JPMorgan Securities LLC	20	—
Colombian Peso	4,680,000	U.S. Dollar	1,606	10-5-18	JPMorgan Securities LLC	25	—
Singapore Dollar	190	U.S. Dollar	140	10-5-18	JPMorgan Securities LLC	1	—
U.S. Dollar	1,482	Argentine Peso	45,980	10-5-18	JPMorgan Securities LLC	—	372
U.S. Dollar	383	Colombian Peso	1,125,000	10-5-18	JPMorgan Securities LLC	—	3
Euro	988	Polish Zloty	4,305	10-9-18	JPMorgan Securities LLC	21	—
Euro	656	Romanian Leu	3,070	10-9-18	JPMorgan Securities LLC	4	—
Romanian Leu	4,595	Euro	976	10-9-18	JPMorgan Securities LLC	—	13
Singapore Dollar	97	U.S. Dollar	71	10-9-18	JPMorgan Securities LLC	—*	—
Thai Baht	14,400	U.S. Dollar	445	10-9-18	JPMorgan Securities LLC	—	—*

SCHEDULE OF INVESTMENTS

IVY PICTET EMERGING MARKETS LOCAL CURRENCY DEBT FUND *(in thousands)*

SEPTEMBER 30, 2018

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
U.S. Dollar	506	Chilean Peso	325,380	10-9-18	JPMorgan Securities LLC	\$ —	\$ 11
		Chinese Yuan					
U.S. Dollar	1,323	Renminbi Offshore	9,050	10-9-18	JPMorgan Securities LLC	—	7
U.S. Dollar	886	Singapore Dollar	1,210	10-9-18	JPMorgan Securities LLC	—	—*
U.S. Dollar	100	South African Rand	1,572	10-9-18	JPMorgan Securities LLC	11	—
Chilean Peso	264,295	U.S. Dollar	384	10-11-18	JPMorgan Securities LLC	—	18
Singapore Dollar	1,210	Euro	755	10-12-18	JPMorgan Securities LLC	—	9
U.S. Dollar	65	Euro	56	10-12-18	JPMorgan Securities LLC	—	—*
Mexican Peso	14,450	U.S. Dollar	752	10-15-18	JPMorgan Securities LLC	—	19
U.S. Dollar	3,839	Polish Zloty	14,150	10-15-18	JPMorgan Securities LLC	—	—*
U.S. Dollar	3,590	South African Rand	52,850	10-16-18	JPMorgan Securities LLC	140	—
U.S. Dollar	436	New Taiwan Dollar	13,400	10-17-18	JPMorgan Securities LLC	4	—
Japanese Yen	50,000	U.S. Dollar	441	10-18-18	JPMorgan Securities LLC	—*	—
U.S. Dollar	1,532	Japanese Yen	171,000	10-18-18	JPMorgan Securities LLC	—	25
U.S. Dollar	1,669	South African Rand	24,351	10-22-18	JPMorgan Securities LLC	49	—
Indonesian Rupiah	2,700,000	U.S. Dollar	180	10-24-18	JPMorgan Securities LLC	—	—*
U.S. Dollar	308	Indonesian Rupiah	4,350,000	10-24-18	JPMorgan Securities LLC	—	17
Israeli Shekel	3,150	U.S. Dollar	881	10-25-18	JPMorgan Securities LLC	14	—
U.S. Dollar	194	Russian Ruble	12,606	11-2-18	JPMorgan Securities LLC	—	3
U.S. Dollar	1,046	Brazilian Real	4,242	11-5-18	JPMorgan Securities LLC	1	—
U.S. Dollar	840	Russian Ruble	54,821	11-13-18	JPMorgan Securities LLC	—	7
Hungarian Forint	431,000	U.S. Dollar	1,527	11-14-18	JPMorgan Securities LLC	—	26
U.S. Dollar	779	Hungarian Forint	219,500	11-14-18	JPMorgan Securities LLC	11	—
Thai Baht	8,900	U.S. Dollar	273	11-23-18	JPMorgan Securities LLC	—	3
U.S. Dollar	890	Polish Zloty	3,250	11-26-18	JPMorgan Securities LLC	—	8
Colombian Peso	2,720,000	U.S. Dollar	912	11-27-18	JPMorgan Securities LLC	—	6
U.S. Dollar	427	Russian Ruble	29,223	11-27-18	JPMorgan Securities LLC	16	—
U.S. Dollar	883	Indonesian Rupiah	13,200,000	11-28-18	JPMorgan Securities LLC	—	5
U.S. Dollar	2,376	Argentine Peso	101,095	12-3-18	JPMorgan Securities LLC	—	119
Colombian Peso	930,000	U.S. Dollar	300	12-4-18	JPMorgan Securities LLC	—	14
Turkish New Lira	1,185	U.S. Dollar	169	12-4-18	JPMorgan Securities LLC	—	19
U.S. Dollar	171	Colombian Peso	520,000	12-4-18	JPMorgan Securities LLC	5	—
Romanian Leu	2,470	U.S. Dollar	616	12-5-18	JPMorgan Securities LLC	1	—
Russian Ruble	22,158	U.S. Dollar	329	12-18-18	JPMorgan Securities LLC	—	7
U.S. Dollar	590	Russian Ruble	39,730	12-18-18	JPMorgan Securities LLC	12	—
U.S. Dollar	883	Chilean Peso	602,500	12-20-18	JPMorgan Securities LLC	34	—
Argentine Peso	1,730	U.S. Dollar	49	1-3-19	JPMorgan Securities LLC	11	—
U.S. Dollar	588	Argentine Peso	19,690	1-3-19	JPMorgan Securities LLC	—	161
Brazilian Real	1,426	U.S. Dollar	344	10-2-18	Morgan Stanley International	—	9
Colombian Peso	2,740,000	U.S. Dollar	914	10-5-18	Morgan Stanley International	—	11
U.S. Dollar	116	Peruvian New Sol	381	10-5-18	Morgan Stanley International	—	—*
Malaysian Ringgit	1,760	U.S. Dollar	426	10-9-18	Morgan Stanley International	1	—
Malaysian Ringgit	1,550	U.S. Dollar	375	11-14-18	Morgan Stanley International	1	—
Czech Koruna	11,200	U.S. Dollar	506	12-5-18	Morgan Stanley International	—*	—
Euro	227	U.S. Dollar	287	2-12-19	Morgan Stanley International	21	—
						<u>\$948</u>	<u>\$2,544</u>

SEPTEMBER 30, 2018

The following futures contracts were outstanding at September 30, 2018 (contracts unrounded):

Description	Type	Number of Contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)
Euro-Bund 10-Year Bond	Short	11	12-10-18	1,100	\$ (2,028)	\$ 11
U.S. 30-Year Treasury Bond	Short	2	12-19-18	200	(281)	6
U.S. 5-Year Treasury Note	Long	16	12-31-18	1,600	1,800	(12)
					<u>\$ (509)</u>	<u>\$ 5</u>

The following centrally cleared interest rate swap agreements were outstanding at September 30, 2018:

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount(B)	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation (Depreciation)
Morgan Stanley & Co. International plc	Receive	28-Day Mexico Equilibrium Interbank Interest Rate	7.930%	12/16/2020	MXN2,116	\$ (1)	\$ —	\$ (1)
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	7.785%	12/13/2023	1,296	(4)	—	(4)
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	7.840%	12/13/2023	2,546	(5)	—	(5)
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	7.855%	12/13/2023	1,299	(2)	—	(2)
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	7.880%	12/13/2023	1,370	(1)	—	(1)
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	7.965%	12/13/2023	1,384	3	—	3
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	8.353%	3/7/2029	3,240	16	—	16
Morgan Stanley & Co. International plc	Receive	6-Month Warsaw Interbank Offered Rate	2.547%	12/19/2023	PLN2,128	5	—	5
Morgan Stanley & Co. International plc	Receive	6-Month Warsaw Interbank Offered Rate	3.012%	12/19/2028	1,130	3	—	3
Morgan Stanley & Co. International plc	Receive	6-Month Warsaw Interbank Offered Rate	2.990%	12/19/2028	1,130	5	—	5
						<u>\$19</u>	<u>\$ —</u>	<u>\$19</u>

The following over the counter interest rate swap agreements were outstanding at September 30, 2018:

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount(B)	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation (Depreciation)
Barclays Bank plc	Pay	1-Day Mumbai Interbank Outright Rate	6.680%	6/7/2019	INR7,672	\$ 56	\$ —	\$ 56
Barclays Bank plc	Receive	1-Day Mumbai Interbank Outright Rate	6.685%	3/13/2023	2,394	67	—	67
Barclays Bank plc	Receive	1-Day Mumbai Interbank Outright Rate	7.035%	5/16/2023	2,502	33	—	33
Barclays Bank plc	Pay	3-Month Johannesburg Interbank Agreed Rate	8.210%	3/20/2024	ZAR3,158	11	—	11
Credit Suisse International	Pay	1-Day Mumbai Interbank Outright Rate	6.410%	3/20/2020	INR4,500	(45)	—	(45)
Credit Suisse International	Receive	1-Day Mumbai Interbank Outright Rate	6.615%	3/20/2023	2,374	73	—	73
Deutsche Bank AG	Pay	3-Month Prague Interbank Offered Rate	2.185%	3/20/2020	CZK18,185	(16)	—	(16)

SEPTEMBER 30, 2018

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount(B)	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation (Depreciation)
Deutsche Bank AG	Receive	6-Month Prague Interbank Offered Rate	2.427%	3/20/2024	4,179	\$ 13	\$ —	\$ 13
Goldman Sachs International	Pay	1-Year Camara vs. Interest Rate Swap Peso	3.675%	3/20/2020	CLP4,414	—*	—	—*
Goldman Sachs International	Receive	6-Month Thai Baht Interest Rate Fixing Rate	2.585%	7/23/2028	THB439	(2)	—	(2)
JPMorgan Chase Bank N.A.	Pay	1-Year Camara vs. Interest Rate Swap Peso	3.700%	3/20/2020	CLP4,414	—*	—	—*
JPMorgan Chase Bank N.A.	Pay	3-Month Johannesburg Interbank Agreed Rate	8.215%	3/20/2024	ZAR3,159	12	—	12
JPMorgan Chase Bank N.A.	Receive	6-Month Association of Banks in Singapore Swap Offer Rate	2.663%	4/26/2028	SGD894	(6)	—	(6)
JPMorgan Chase Bank N.A.	Pay	6-Month LIBOR	9.800%	10/9/2022	IDR243	(11)	—	(11)
Morgan Stanley & Co. International plc	Pay	1-Year Camara vs. Interest Rate Swap Peso	3.700%	3/20/2020	CLP4,612	—*	—	—*
Morgan Stanley & Co. International plc	Receive	3-Month Kuala Lumpur Interbank Offered Rate	4.140%	5/14/2023	MYR1,994	(23)	—	(23)
Nomura Securities International, Inc.	Receive	6-Month Association of Banks in Singapore Swap Offer Rate	1.950%	8/22/2026	SGD70	3	—	3
Nomura Securities International, Inc.	Receive	6-Month Association of Banks in Singapore Swap Offer Rate	1.950%	8/22/2026	186	8	—	8
						\$173	\$ —	\$173

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Other Government Securities	\$ —	\$ 121,047	\$ —
Short-Term Securities	832	15,747	—
Total	\$832	\$136,794	\$ —
Forward Foreign Currency Contracts	\$ —	\$ 948	\$ —
Futures Contracts	\$ 17	\$ —	\$ —
Centrally Cleared Interest Rate Swaps	\$ —	\$ 32	\$ —
Over the Counter Interest Rate Swaps	\$ —	\$ 276	\$ —
Liabilities			
Over the Counter Credit Default Swaps	\$ —	\$ 13	\$ —
Forward Foreign Currency Contracts	\$ —	\$ 2,544	\$ —
Futures Contracts	\$ 12	\$ —	\$ —
Centrally Cleared Interest Rate Swaps	\$ —	\$ 13	\$ —
Over the Counter Interest Rate Swaps	\$ —	\$ 103	\$ —

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

SEPTEMBER 30, 2018

The following acronyms are used throughout this schedule:

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

OTC = Over the Counter

Market Sector Diversification

(as a % of net assets)

Other Government Securities	85.3%
Other+	14.7%

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

(UNAUDITED)

Ivy Pictet Targeted Return Bond Fund is managed by Ivy Investment Management Company, which has retained Pictet Asset Management (Pictet) to sub-advise the Fund. Below, Portfolio Managers Andres Sanchez Balcazar, CFA, David Bopp, CFA, and Thomas Hansen, CFA discuss positioning, performance and results for the fiscal period ended September 30, 2018. The team has managed the Fund since its inception in January 2016 and has an average of 14 years' experience.

Fiscal Year Performance

For the 12 months ended September 30, 2018

Ivy Pictet Targeted Return Bond Fund (Class A shares at net asset value)	-0.22%
Ivy Pictet Targeted Return Bond Fund (Class A shares including sales load)	-5.98%
Benchmark(s) and/or Lipper Category	
Bloomberg Barclays U.S. Treasury Bills: 1-3 Month Index (generally reflects the performance of U.S. Treasury Bills with a remaining maturity between 1-3 months)	1.52%
Lipper Alternate Credit Focus Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	0.75%

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 update — rates

The fiscal year ending September 2018 was one of continued, steady interest rate hikes by the U.S. Federal Reserve (Fed) that began the prior year. The Fed closed 2017 with its third interest rate hike that year and the end of Janet Yellen's tenure as Fed Chair. U.S. rates rose, not only on higher policy rates, but also on the passage of sweeping tax reforms passed by Congress in late 2017 and the announcement of stimulative fiscal spending programs.

The beginning of 2018 saw a sharp selloff in the U.S. Treasury market on solid growth data, higher inflation and the announcement from the U.S. Treasury of larger-than-estimated borrowing needs. However, while the Fed continued to hike rates in March, new Fed Chair Jerome Powell struck a dovish tone at his first press conference and downplayed the importance of the Fed "dots", which calmed the markets.

Yields also rose at the start of the fiscal year in Europe, where the European Central Bank (ECB) announced plans to unwind its bond purchase program. However, the plan was a cautious one, with monthly purchases to halve, but with the program extended until at least late 2018. ECB President Draghi commented that there would be 'no sudden end to the buying' and interest rates would remain stable for some time, yet later emphasized that inflation is the ECB's primary focus. The ECB raised its gross domestic product (GDP) forecasts for the eurozone, commenting that economic expansion in the eurozone was broad-based and solid across sectors and countries.

The Bank of England (BoE) hiked its benchmark rate to 0.5% in late 2017, its first rate hike in a decade, after U.K. inflation breached 3%, following the continued lack of clarity and progress around Brexit negotiations. The Bank of Korea joined the BoE in raising rates; it was that bank's first increase since 2011, but done with the intent to prevent capital outflows should the U.S. Fed hike rates further.

In Japan, Shinzo Abe's decision to hold a snap election resulted in a landslide victory for him and his economic reforms and continued loose monetary policies. The Bank of Japan's policy of targeting the yield curve remained in place.

While growth and monetary policy divergence between the U.S. and the rest of the developed world was the theme for the first half of 2018, the realignment of developed market central bank policy and, to a lesser extent, growth and inflation have contributed to a more synchronized global rates move since the start of the third quarter of 2018.

Spreads

Spread markets performed well at the start of the fiscal year on continued investor appetite, but the year saw weakness during periods of volatility, driven by higher base rates, increased concerns over trade wars and pressures in Europe. Investor appetite initially supported both new issuance and secondary markets, despite idiosyncratic corporate events temporarily unsettling credit markets. The anticipated rate hikes in the U.S. and the U.K. initially were well absorbed by financials and corporates, which had improved balance sheets in recent years. Yet, with the exception of U.S. high yield, negative sentiment crept into developed market credit over the summer, particularly in the European subordinated financial sector which is most exposed to respective domestic economies, but stabilized by the end of the fiscal year.

Emerging markets also performed well at the start of the fiscal year, despite country-specific headlines causing some nervousness. South Africa was downgraded below investment grade by S&P on concerns over rising debt levels; Venezuela failed to make payments on two bond issues; and a corruption crack-down in Saudi Arabia, which ensnared a significant portion of the Saudi royal family, was potentially a positive sign of reform or a negative power crack-down. Argentina and Turkey were among the worst performing emerging-market countries this year, with the former turning to the International Monetary Fund (IMF) for aid in the face of deepening concerns over a gaping fiscal deficit, skyrocketing inflation and pressing debt obligations, while the latter suffered from the lack of government credibility and U.S. sanctions. China concluded its five-yearly plenum in October with President Xi Jinping cementing his authority and plans to continue China's structural re-balancing. However, later in the fiscal year, escalating trade tensions between China and the U.S. and a slowdown in emerging economies weighed on emerging markets. Sentiment improved by the end of the period, likely due to various policy easing measures announced by China and stabilization in the Chinese yuan. The reconciliatory reaction from China after the U.S. implemented tariffs on \$200 billion of Chinese goods, as well as its pledge to step up infrastructure investment, supported emerging-market assets. Both hard currency sovereign debt and corporate credit rallied in the last quarter of the period.

Developed market government spreads were mixed over the fiscal year, despite upgrades from S&P for both Italy and Spain at the start of the period. Italian sovereign bonds were among the worst performing asset classes in the second half of the period. After several weeks of uncertainty following the general election in the spring, and a few changes in policy direction, a populist coalition government in Italy was formed, with a common critical attitude towards Europe and a willingness to implement fiscal stimulus. At the time, contagion from the Italian political saga spilled over to Spanish and Portuguese government bonds on concerns of populism there.

Italian spreads continued to widen at the end of the fiscal year after the government agreed on a budget deficit of 2.4% of GDP over the next three years, much higher than the 1.6% budget previously proposed. The higher budget deficit is at odds with the European Union (EU) which requires a sustained fiscal adjustment from the indebted country. After having been upgraded at the start of the fiscal year by some agencies, the probability of a downgrade by rating agencies increased with Moody's and S&P scheduled to reveal their assessment of Italy by the end of October 2018. However, the spread widening was broadly contained in Italy, as Spain and Portugal saw unchanged to slightly-tighter spreads this past quarter.

Foreign exchange

The U.S. dollar ended the fiscal period strongly after initial dollar weakness and emerging-market strength. Dollar weakness continued into 2018 when the "twin deficit" (fiscal and current account deficits) became the main focus of the market. However, the currency pared back some losses later in the first quarter thanks to denuclearization news from North Korea. U.S. dollar weakness reversed in the second half of the fiscal period as the dollar outperformed all its G10 peers and almost all major emerging-market currencies over the summer. A divergence of growth momentum and policy rates between the U.S. and the rest of world and the prevailing risk-off sentiment sent the trade-weighted U.S. dollar back to its highest level since mid-2017.

Prospects for better growth in Europe supported the euro, which was bolstered by ECB comments that forward guidance would be used as a tool to achieve their inflation target. The strong performance by the euro initially slowed as Brexit negotiations with the U.K. dragged and economic data in the region was mixed.

After outperforming most emerging-market currencies for much of the year, the Chinese yuan switched direction in June, weakening on trade tensions, signs of a slowing economy and the Peoples Bank of China's (PBoC) monetary easing measures.

Fund performance

The Fund underperformed its benchmark, the Bloomberg Barclays U.S. Treasury Bills: 1-3 Month Index, and Lipper peer group for the fiscal year.

4Q17 performance analysis

The Fund outperformed its benchmark during the quarter. The Fund's spread positions were the largest contributor to performance, with strong performance from emerging-market hard currency debt, developed market investment grade and high yield. Rates positioning in the U.S. detracted from performance over the quarter as U.S. rates moved higher. Performance from our foreign exchange (FX) positions detracted over the quarter, given our short FX exposure versus long U.S. dollar.

1Q18 performance analysis

The Fund underperformed its benchmark in the first quarter. The Fund's rates positions had a positive contribution to the portfolio in the first quarter, thanks to the consolidation in rates in March. Our spreads positions detracted from performance, with most of the loss occurring in March from our European subordinated bank corporate holdings. The contribution from our FX positions was negative in the quarter, mainly coming from the underperformance of the U.S. dollar versus the South African rand and the Colombian peso.

2Q18 performance analysis

The Fund underperformed its benchmark in the second quarter. The contribution from the Fund's rates positions was broadly neutral, as our long German bund duration and Italian curve flattener positions mitigated the loss from our long U.S. duration. Our spread positions detracted from performance, with most of the loss occurring in May from our European subordinated bank holdings. The contribution from our FX positions was positive this quarter, primarily from our long U.S. dollar versus short emerging-market currency positions and from our long Japanese yen versus short euro position.

3Q18 performance analysis

The Fund outperformed its benchmark in the third quarter. The Fund's rates positions detracted from performance, due to our long duration positions in both the U.S. Treasury and German bunds. Our spreads positions, in both developed and emerging markets, contributed positively. The contribution from our FX positions was negative, due mainly to our long positions in the Japanese yen and Argentine peso. However, our short positions in the euro and South African rand mitigated the loss to some extent.

Outlook

The U.S. economy seems to be powering ahead, where there is mounting evidence that China and Europe peaked at some point towards the end of 2017. Our explanation is quite simply that there is a substantial divergence still in place between U.S. fiscal policy and fiscal policy in the rest of the world, which we believe is unlikely to change anytime soon. In Europe, the discussions continue to be around the EU members' adherence to the Maastricht criteria, as evidenced by the recent discussions between the EU commission and the newly-formed Italian government. In China, the government is constrained by the weight of the social security deficit and the implicit liabilities the government has vis-a-vis the state owned enterprises and the stability critical sectors like banks and asset management companies.

The U.S. policy mix of tight monetary policy and loose fiscal policy has favored the U.S. dollar since the second quarter of 2018. U.S. assets, except for U.S. Treasuries, have outperformed the rest of the world assets. The recent sell-off in U.S. rates to 3.25% for 10-year yields confirms this bullishness on the U.S. economy. Yet, we sense the market is getting a bit ahead of itself regarding the prospects for the U.S. economy for 2019. First of all, the prospects of additional tax reform are dim as the democrats are likely to regain control of the House of Representatives. Therefore, we believe the positive impulse of increase in the deficit in the U.S. will start fading in the second quarter of 2019. Second, the economy has become increasingly sensitive to corrections in the oil price as capital expenditure has been largely concentrated in the oil industry in the Midwest of the country. Third, it will be hard for the U.S. to continue steaming ahead on its own when the rest of the world decelerates, in part due to higher U.S. rates and in absence of further fiscal stimulus. From our perspective, it makes sense to reduce the Fund's U.S. dollar long positions and increase our U.S. Treasury and bond durations.

Performance shown at net asset value (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.

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. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated bonds.

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.

Sovereign debt instruments are also subject to the risk that a government or agency issuing the debt may be unable to pay interest and/or principal due to cash flow problems, insufficient foreign currency reserves or political concerns.

Risks of credit-linked notes include those risks associated with the underlying reference obligation, including but not limited to market risk, interest rate risk, credit risk, default risk and foreign currency risk. The buyer of a credit-linked note assumes the risk of default by the issuer and the underlying reference asset or entity. If the underlying investment defaults, the payments and principal received by the Fund will be reduced or eliminated. Also, in the event the issuer defaults or there is a credit event that relates to the reference asset, the recovery rate generally is less than the Fund's initial investment, and the Fund may lose money.

The use of derivatives presents several risks including the risk that fluctuation 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. Moreover, some derivatives are more sensitive to interest rate changes and market fluctuations than others, and the risk of loss may be greater than if the derivative technique(s) had not been used. Derivatives also may be subject to counterparty risk, which includes the risk that a loss may be sustained by the Fund as a result of the insolvency or bankruptcy of, or other non-compliance by, another party to the transaction. 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 and includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy Pictet Targeted Return Bond Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Purchased Options	0.6%
Bonds	85.0%
Corporate Debt Securities	41.4%
Other Government Securities	24.5%
United States Government and Government Agency Obligations	19.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	14.4%

Quality Weightings

Investment Grade	65.0%
AAA	22.8%
AA	9.4%
A	8.2%
BBB	24.6%
Non-Investment Grade	20.0%
BB	14.5%
B	5.4%
Non-rated	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+ and Purchased Options	15.0%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

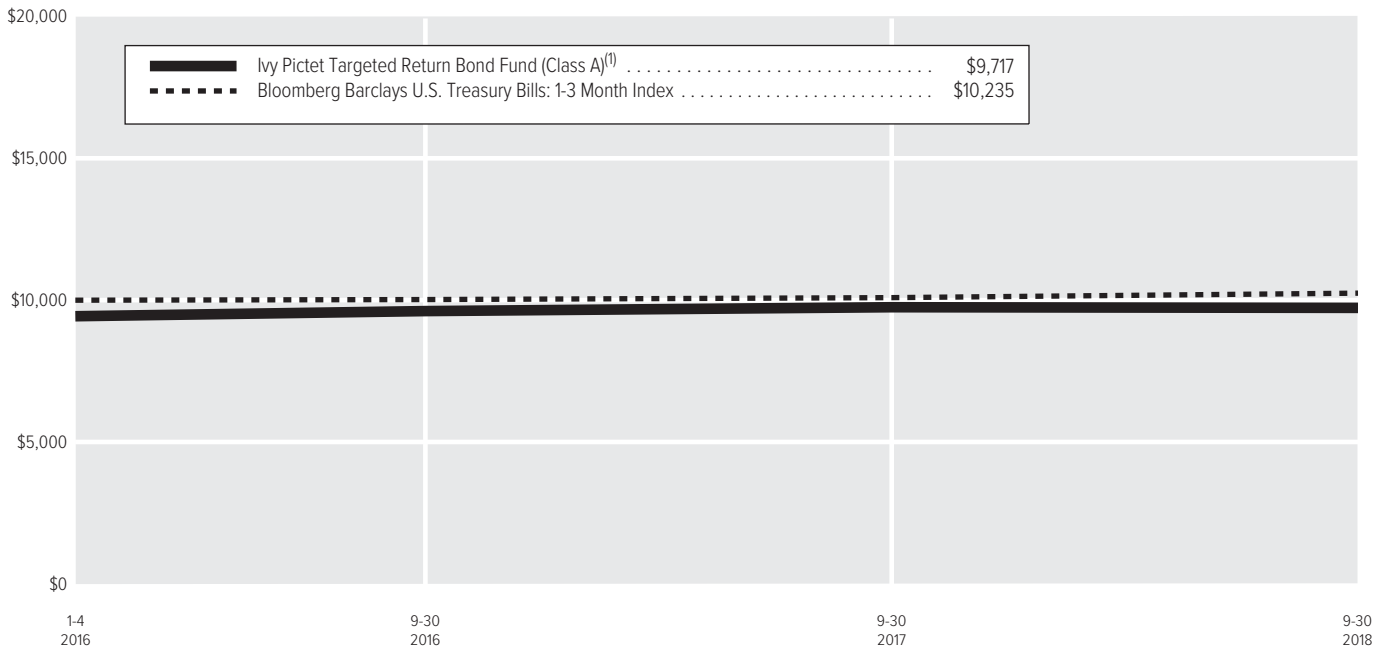
+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

Country Weightings

Europe	39.8%
United Kingdom	6.1%
Germany	6.0%
Norway	5.1%
France	4.4%
Netherlands	3.9%
Other Europe	14.3%
North America	29.3%
United States	26.3%
Other North America	3.0%
Pacific Basin	6.3%
Japan	0.5%
Other Pacific Basin	5.8%
Other	4.8%
South America	2.3%
Africa	1.5%
Bahamas/Caribbean	1.0%
Cash and Other Assets (Net of Liabilities), Cash Equivalents+ and Purchased Options	15.0%

COMPARISON OF CHANGE IN VALUE OF IVY PICTET TARGETED RETURN BOND FUND \$10,000 INVESTMENT

(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 I	Class N	Class Y
1-year period ended 9-30-18	-5.98%	-0.85%	0.03%	0.25%	-0.22%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	-1.04%	0.44%	1.37%	1.49%	1.15%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class C shares carry a maximum contingent deferred sales charge (CDSC) of 1% (the Class C shares reflect no CDSC since it only applies to Class C shares redeemed within twelve months after purchase). Class I, Class N 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) 1-4-16 for Class A shares, 1-4-16 for Class C shares, 1-4-16 for Class I shares, 1-4-16 for Class N shares and 1-4-16 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 PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

PURCHASED OPTIONS	Number of Contracts (Unrounded)	Notional Amount	Value	PURCHASED OPTIONS (Continued)	Number of Contracts (Unrounded)	Notional Amount	Value	CORPORATE DEBT SECURITIES (Continued)	
								Principal	Value
EUR versus USD:				USD versus BRL,					
Call \$1.18, Expires				Put \$3.88, Expires					
11-19-18, OTC				11-26-18, OTC					
(Ctrpty: Morgan				(Ctrpty: Goldman					
Stanley & Co.,				Sachs					
Inc.)	17,853,649	17,854	\$ 101	International) . . .	7,288,000	7,288	\$ 127		
Put \$1.21, Expires				USD versus TWD:					
2-22-19, OTC				Put \$27.20, Expires					
(Ctrpty: Deutsche				3-21-19, OTC					
Bank AG)	23,053,649	23,053	775	(Ctrpty: Morgan					
Euro-Bund December				Stanley & Co.,					
Futures:				Inc.)	4,500,000	4,500	—		
Call EUR163.00,				Call \$29.48, Expires					
Expires				3-21-19, OTC					
10-26-18(A)	37	3,700	2	(Ctrpty: Morgan					
Call EUR161.50,				Stanley & Co.,					
Expires				Inc.)	4,500,000	4,500	116		
11-23-18(A)	72	7,200	21						
Call EUR165.50,				TOTAL PURCHASED OPTIONS – 0.6%			\$1,479		
Expires				(Cost: \$1,084)					
11-23-18(A)	93	9,300	4						
iTraxx Europe				CORPORATE DEBT SECURITIES			Principal		
Crossover Series 29				Consumer Discretionary					
Index,				Apparel, Accessories & Luxury Goods – 0.3%					
Put EUR350.00,				PVH Corp.,					
Expires 10-17-18,				3.125%, 12-15-27(A)	EUR 540	623			
OTC (Ctrpty:									
Deutsche Bank				Auto Parts & Equipment – 0.2%					
AG)(A)	5,900,000	5,900	1	Nemak S.A.B. de C.V.,					
iTraxx Europe				3.250%, 3-15-24(A)(B)		365	433		
Crossover Series 30									
Index,				Automobile Manufacturers – 0.3%					
Put EUR325.00,				Volkswagen International Finance N.V.:					
Expires 12-19-18,				1.875%, 3-30-27(A)	200	229			
OTC (Ctrpty:				3.500%, 12-29-49(A)	490	525			
Morgan Stanley &									
Co., Inc.)(A)	6,100,000	6,100	28						
NZD versus USD,									
Call \$0.71, Expires				Restaurants – 0.2%					
8-16-19, OTC				Starbucks Corp.,					
(Ctrpty: Goldman				2.700%, 6-15-22	\$ 600	585			
Sachs									
International) . . .	29,662,000	29,662	235	Total Consumer Discretionary – 1.0%			2,395		
U.S. 10-Year Treasury				Consumer Staples					
Note December				Brewers – 1.6%					
Futures,				Anheuser-Busch Inbev S.A./N.V.					
Call \$133.50,				(GTD by AB INBEV/BBR/COB):					
Expires				0.625%, 3-17-20(A)	EUR 770	903			
11-23-18	100	10,000	1	2.650%, 2-1-21	\$ 739	728			
U.S. 30-Year Treasury				3.300%, 2-1-23		945	933		
Bond December				Anheuser-Busch InBev Worldwide,					
Futures,				Inc. (GTD by AB INBEV/BBR/COB),					
Call \$179.00,				4.750%, 4-15-58		1,225	1,187		
Expires									
11-23-18	101	10,100	1						
U.S. 5-Year Treasury									
Note December									
Futures:				Drug Retail – 0.4%					
Put \$112.25, Expires				CVS Health Corp.,					
11-23-18	259	25,900	67	5.050%, 3-25-48		822	840		
Call \$121.25, Expires									
11-23-18	103	10,300	—						

SCHEDULE OF INVESTMENTS

IVY PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Financials

Asset Management & Custody Banks – 0.4%

Charming Light Investments Ltd.,			
4.375%, 12-21-27	\$	258	\$ 244
China Cinda Finance (2017) I Ltd.,			
4.400%, 3-9-27		808	777
			<u>1,021</u>

Diversified Banks – 12.2%

ABN AMRO Bank N.V.,			
2.875%, 1-18-28(A)	EUR	300	369
Allied Irish Banks plc,			
7.375%, 12-29-49(A)		400	508
Banco Bilbao Vizcaya Argentaria S.A.,			
5.875%, 8-24-66(A)		400	471
Banco Santander S.A.,			
6.750%, 7-25-66(A)		800	1,001
Bank of Communications Co. Ltd.,			
3.625%, 10-3-26(A)		804	960
Bank of Ireland Group plc,			
3.125%, 9-19-27(A)	GBP	390	490
Bank of Nova Scotia (The),			
4.650%, 4-12-66	\$	360	338
Bankia S.A.,			
6.000%, 10-18-66(A)	EUR	600	704
Banque Federative du Credit Mutuel,			
2.625%, 3-31-27(A)		2,000	2,374
Barclays plc:			
3.125%, 1-17-24(A)	GBP	400	518
5.875%, 12-15-65(A)		400	495
Belfius Bank S.A.,			
3.625%, 4-16-67(A)	EUR	600	581
BNP Paribas S.A.:			
3.375%, 1-9-25(B)	\$	850	805
7.000%, 2-16-67(B)		200	201
CaixaBank S.A.:			
5.250%, 6-23-66(A)	EUR	400	431
6.750%, 9-13-66(A)		400	501
Commerzbank AG,			
8.125%, 9-19-23	\$	300	342
Coventry Building Society,			
6.375%, 12-29-49(A)	GBP	685	910
Credit Agricole S.A.,			
6.500%, 6-23-66(A)	EUR	790	1,004
CYBG plc:			
3.125%, 6-22-25(A)	GBP	400	501
5.000%, 2-9-26(A)		158	211
8.000%, 6-8-66(A)		500	666
DNB Bank ASA,			
5.750%, 3-26-66	\$	400	400
Erste Group Bank AG,			
6.500%, 10-15-66(A)	EUR	600	744
European Investment Bank,			
1.250%, 12-16-19	\$	183	180
HSBC Holdings plc:			
6.875%, 12-29-49		400	414
6.250%, 9-23-66		506	504
Ibercaja Banco S.A.,			
7.000%, 7-6-66(A)	EUR	400	465

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Diversified Banks (Continued)

Intesa Sanpaola S.p.A.:			
1.750%, 3-20-28(A)	EUR	731	\$ 761
6.250%, 11-16-66(A)		200	231
Intesa Sanpaolo S.p.A.:			
1.125%, 3-4-22(A)		551	627
6.625%, 9-13-23(A)		613	825
Lloyds Banking Group plc:			
1.000%, 11-9-23(A)		390	444
1.500%, 9-12-27(A)		200	223
Mediobanca S.p.A.,			
0.625%, 9-27-22(A)		1,192	1,312
Mediobanca S.p.A. (3-Month EURIBOR plus 80 bps),			
0.481%, 5-18-22(A)(C)		165	184
Royal Bank of Scotland Group plc (The):			
6.125%, 12-15-22	\$	310	325
1.750%, 3-2-26(A)	EUR	1,000	1,130
Santander UK Group Holdings plc,			
3.571%, 1-10-23	\$	500	486
Skandinaviska Enskilda Banken AB,			
5.750%, 11-29-49		810	815
Societe Generale S.A.,			
1.125%, 1-23-25(A)	EUR	1,000	1,129
Toronto-Dominion Bank (3-Month U.S. LIBOR plus 26 bps),			
2.594%, 9-17-20(C)	\$	386	386
UniCredit S.p.A.:			
1.000%, 1-18-23(A)	EUR	1,000	1,094
5.861%, 6-19-32	\$	600	535
6.625%, 12-3-66(A)	EUR	400	459
Unione di Banche Italiane S.p.A.:			
0.750%, 10-17-22(A)		303	329
4.450%, 9-15-27(A)		805	921
			<u>29,304</u>
Diversified Capital Markets – 0.7%			
Credit Suisse Group AG,			
3.869%, 1-12-29(B)	\$	660	621
Investec plc,			
6.750%, 12-5-66(A)	GBP	500	652
RBS Capital Trust II,			
6.425%, 12-31-66	\$	280	331
			<u>1,604</u>
Investment Banking & Brokerage – 0.8%			
Macquarie Group Ltd.,			
3.189%, 11-28-23(B)		921	884
Morgan Stanley (3-Month U.S. LIBOR plus 140 bps),			
3.742%, 10-24-23(C)		980	1,007
			<u>1,891</u>
Life & Health Insurance – 1.4%			
China Life Insurance Co. Ltd.,			
4.000%, 7-3-75		493	483
Credit Agricole Assurances S.A.,			
2.625%, 1-29-48(A)	EUR	400	425
Just Group plc,			
3.500%, 2-7-25(A)	GBP	400	468

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Life & Health Insurance (Continued)

Metropolitan Life Global Funding I,			
3.450%, 12-18-26(B)	\$	568	\$ 555
NN Group N.V.:			
4.625%, 1-13-48(A)	EUR	241	299
4.500%, 7-15-66(A)		600	734
Phoenix Group Holdings,			
5.750%, 10-26-66(A)	GBP	300	344
			<u>3,308</u>
Multi-Line Insurance – 1.4%			
American International Group, Inc.,			
4.750%, 4-1-48	\$	707	691
ASR Nederland N.V.,			
5.125%, 9-29-45(A)	EUR	200	256
Assicurazioni Generali S.p.A.,			
5.000%, 6-8-48(A)		600	710
Aviva plc,			
3.375%, 12-4-45(A)		434	508
Axa S.A.:			
3.250%, 5-28-49(A)		600	682
3.875%, 10-8-66(A)		500	608
			<u>3,455</u>
Property & Casualty Insurance – 0.5%			
Chubb INA Holdings, Inc. (GTD by Chubb Ltd.),			
2.500%, 3-15-38(A)		487	570
Direct Line Insurance Group plc,			
4.750%, 6-7-66(A)	GBP	600	665
			<u>1,235</u>
Regional Banks – 0.2%			
Fidelity Bank plc,			
10.500%, 10-16-22(B)	\$	580	591
Specialized Finance – 2.5%			
Huarong Finance 2017 Co. Ltd.,			
4.250%, 11-7-27		354	324
Huarong Finance II Co. Ltd.,			
2.875%, 3-14-67		231	213
Japan Finance Organization for Municipalities,			
2.125%, 10-25-23(B)		340	318
John Deere Capital Corp.,			
1.250%, 10-9-19		618	609
Kommunalbanken A.S.,			
1.500%, 8-31-21(B)		686	656
NewDay Bondco plc,			
7.375%, 2-1-24(A)	GBP	200	247
Siemens Financieringsmaatschappij N.V.,			
2.200%, 3-16-20(B)	\$	1,028	1,015
Syngenta Finance N.V.,			
5.676%, 4-24-48(B)		300	269
Tesco Corporate Treasury Services plc,			
1.375%, 7-1-19(A)	EUR	540	633
Vonovia Finance B.V.:			
1.750%, 1-25-27(A)		800	922
4.000%, 12-29-49(A)		600	740
			<u>5,946</u>

SCHEDULE OF INVESTMENTS

IVY PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Thriffs & Mortgage Finance – 0.3%		
Deutsche Pfandbriefbank AG, 2.875%, 6-28-27(A)	EUR 700	\$ 809
Total Financials – 20.4%		49,164
Health Care		
Life Sciences Tools & Services – 0.2%		
Thermo Fisher Scientific, Inc., 2.875%, 7-24-37(A)	350	414
Pharmaceuticals – 1.0%		
Bayer AG, 3.000%, 7-1-75(A)	746	885
Bayer U.S. Finance II LLC: 4.625%, 6-25-38(B)	\$ 268	256
4.875%, 6-25-48(B)	257	249
Teva Pharmaceutical Finance II B.V.: 3.250%, 4-15-22(A)	EUR 147	177
1.250%, 3-31-23(A)	300	328
1.125%, 10-15-24(A)	200	207
1.875%, 3-31-27(A)	300	299
		<u>2,401</u>
Total Health Care—1.2%		2,815
Industrials		
Construction & Engineering – 0.2%		
Ferrovial Netherlands B.V., 2.124%, 5-14-66(A)	390	416
Industrial Conglomerates – 0.1%		
Thyssenkrupp AG, 3.125%, 10-25-19(A)	343	408
Marine Ports & Services – 0.6%		
CCCI Treasure Ltd. (GTD by China Communications Construction Co. Ltd.), 3.500%, 12-29-49	\$ 834	824
DP World Ltd., 6.850%, 7-2-37	520	595
		<u>1,419</u>
Total Industrials—0.9%		2,243
Information Technology		
Internet Software & Services – 0.1%		
Tencent Holdings Ltd., 3.595%, 1-19-28(B)	418	395
IT Consulting & Other Services – 0.2%		
Capgemini SE, 1.750%, 7-1-20(A)	EUR 400	477
Semiconductors – 0.2%		
STATS ChipPAC Ltd., 8.500%, 11-24-20	\$ 400	412

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Systems Software – 0.3%		
Microsoft Corp., 4.250%, 2-6-47	\$ 702	\$ 736
Technology Hardware, Storage & Peripherals – 1.1%		
Apple, Inc., 3.200%, 5-11-27	1,093	1,056
Hewlett Packard Enterprise Co.: 2.100%, 10-4-19(B)	610	604
4.900%, 10-15-25(D)	563	579
6.350%, 10-15-45(D)	310	318
Hewlett Packard Enterprise Co. (3-Month U.S. LIBOR plus 72 bps), 3.104%, 10-5-21(C)	97	97
		<u>2,654</u>
Total Information Technology—1.9%		4,674
Materials		
Diversified Chemicals – 0.6%		
CNAC (HK) Finbridge Co. Ltd., 1.750%, 6-14-22(A)	EUR 578	667
Dow Chemical Co. (The), 4.375%, 11-15-42	\$ 892	845
		<u>1,512</u>
Diversified Metals & Mining – 0.2%		
Glencore Finance (Europe) S.A. (GTD by Glencore Xstrata plc, Glencore International AG and Xstrata (Schweiz) AG), 3.375%, 9-30-20(A)	EUR 507	624
Fertilizers & Agricultural Chemicals – 0.5%		
Israel Chemicals Ltd., 6.375%, 5-31-38	\$ 1,120	1,119
Paper Products – 0.3%		
Domtar Corp.: 6.250%, 9-1-42	476	467
6.750%, 2-15-44	200	209
		<u>676</u>
Precious Metals & Minerals – 0.3%		
China Minmetals Corp., 3.750%, 5-13-67	725	670
Steel – 0.6%		
CSN Islands XI Corp., 6.875%, 9-21-19	470	467
Vale Overseas Ltd., 6.250%, 8-10-26	500	548
Vallourec S.A., 2.250%, 9-30-24(A)	EUR 500	485
		<u>1,500</u>
Total Materials – 2.5%		6,101

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Real Estate		
Diversified Real Estate Activities – 0.8%		
CPI Property Group S.A., 4.375%, 11-9-66(A)	EUR 500	\$ 557
Inmobiliaria Colonial Socimi S.A., 2.500%, 11-28-29(A)	1,000	1,128
Vanke Real Estate (Hong Kong) Co. Ltd., 3.975%, 11-9-27	\$ 335	302
		<u>1,987</u>
Diversified REITs – 0.1%		
Aroundtown S.A., 3.000%, 10-16-29(A)	GBP 200	245
Real Estate Development – 0.6%		
China Evergrande Group, 8.250%, 3-23-22	\$ 300	297
Longfor Properties Co. Ltd., 4.500%, 1-16-28	1,008	909
Theta Capital Pte Ltd., 7.000%, 4-11-22	400	336
		<u>1,542</u>
Real Estate Operating Companies – 0.6%		
Grand City Properties S.A.: 1.500%, 2-22-27(A)	EUR 700	768
2.500%, 10-24-66(A)	500	556
		<u>1,324</u>
Residential REITs – 0.6%		
ADLER Real Estate AG, 2.125%, 2-6-24(A)	936	1,060
Akelius Residential Property AB, 3.875%, 10-5-78(A)	300	348
		<u>1,408</u>
Total Real Estate – 2.7%		6,506
Telecommunication Services		
Integrated Telecommunication Services – 1.5%		
AT&T, Inc., 4.250%, 6-1-43(A)	GBP 353	475
DKT Finance ApS, 9.375%, 6-17-23(B)	\$ 254	267
Koninklijke KPN N.V., 7.500%, 2-4-19(A)	EUR 540	643
Telefonica Europe B.V.: 2.625%, 6-7-66(A)	700	775
3.875%, 9-22-66(A)	400	436
Verizon Communications, Inc., 5.500%, 3-16-47	\$ 860	938
		<u>3,534</u>

SCHEDULE OF INVESTMENTS

IVY PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Wireless Telecommunication Service – 1.6% Bharti Airtel Ltd., 4.375%, 6-10-25	\$ 1,047	\$ 969
SoftBank Group Corp.: 5.000%, 4-15-28(A)	EUR 218	252
4.000%, 9-19-29(A)	450	473
Vodafone Group plc: 2.950%, 2-19-23	\$ 500	482
2.875%, 11-20-37(A)	EUR 770	893
5.250%, 5-30-48	\$ 842	844
		<u>3,913</u>
Total Telecommunication Services – 3.1%		7,447
Utilities		
Electric Utilities – 0.5% ENEL S.p.A., 3.375%, 11-24-81(A)	EUR 400	441
Perusahaan Listrik Negara, 6.150%, 5-21-48(B)	\$ 400	415
State Grid Europe Development (2014) plc, 1.500%, 1-26-22(A)	EUR 309	367
		<u>1,223</u>
Gas Utilities – 0.2% Origin Energy Finance Ltd.: 2.875%, 10-11-19(A)	200	239
2.500%, 10-23-20(A)	300	364
		<u>603</u>
Multi-Utilities – 0.1% Berkshire Hathaway Energy Co., 3.250%, 4-15-28	\$ 134	127
Total Utilities – 0.8%		1,953
TOTAL CORPORATE DEBT SECURITIES – 41.4%		\$99,927
(Cost: \$102,802)		
OTHER GOVERNMENT SECURITIES(E)		
Angola – 0.1% Republic of Angola, 9.375%, 5-8-48 (B)	200	211
Argentina – 0.3% Republic of Argentina: 0.000%, 6-21-20 (A)(F)	ARS 7,350	213
0.000%, 12-31-33 (A)(F)	2,579	492
		<u>705</u>
Bermuda – 0.3% Government of Bermuda, 4.854%, 2-6-24	\$ 730	760

OTHER GOVERNMENT

SECURITIES(E) (Continued)	Principal	Value
Brazil – 0.7% Brazil Notas do Tesouro Nacional: 0.000%, 1-1-21 (A)(F)	BRL 1,574	\$ 394
0.000%, 1-1-25 (A)(F)	5,584	1,303
		<u>1,697</u>
Canada – 0.7% Province of Ontario: 3.000%, 9-28-20 (A)	EUR 620	767
2.550%, 2-12-21	\$ 487	480
2.250%, 5-18-22	540	521
		<u>1,768</u>
Columbia – 0.3% Republic of Colombia, 6.125%, 1-18-41	623	706
Croatia – 0.2% Republic of Croatia, 6.000%, 1-26-24	400	435
Dominican Republic – 0.1% Dominican Republic, 6.000%, 7-19-28	234	238
Egypt – 0.8% Arab Republic of Egypt: 4.750%, 4-16-26 (A)	EUR 416	462
7.500%, 1-31-27	\$ 1,120	1,140
8.500%, 1-31-47 (B)	277	278
		<u>1,880</u>
Germany – 4.5% Bundesrepublik Deutschland: 0.500%, 2-15-28 (A)	EUR 409	478
1.250%, 8-15-48 (A)	8,600	10,416
		<u>10,894</u>
Greece – 0.4% Hellenic Republic, 3.500%, 1-30-23 (A)	800	938
Indonesia – 0.4% Indonesia Government Bond: 3.700%, 1-8-22 (B)	\$ 310	308
8.500%, 10-12-35	200	274
Republic of Indonesia, 6.625%, 2-17-37	300	351
		<u>933</u>
Ireland – 0.4% Bank of Ireland, 7.375%, 12-29-49 (A)	EUR 400	502
Irish Government Bond, 2.400%, 5-15-30 (A)	343	451
		<u>953</u>

OTHER GOVERNMENT

SECURITIES(E) (Continued)	Principal	Value
Japan – 0.1% Japan Finance Organization for Municipalities, 2.125%, 3-6-19	\$ 290	\$ 289
Lebanon – 0.2% Lebanese Republic, 5.150%, 11-12-18	500	496
Luxembourg – 0.2% Amigo Luxembourg S.A., 7.625%, 1-15-24 (A)	GBP 290	376
Mexico – 0.6% Mexican Bonos, 10.000%, 12-5-24 (A)	MXN22,750	1,347
Norway – 4.4% Norway Government Bond: 3.000%, 3-14-24 (A)	NOK 30,175	3,968
1.750%, 2-17-27 (A)	54,210	6,596
		<u>10,564</u>
Oman – 0.2% Oman Government Bond, 6.750%, 1-17-48	\$ 400	389
Panama – 0.7% Republic of Panama: 7.125%, 1-29-26	500	596
9.375%, 4-1-29	816	1,157
		<u>1,753</u>
Peru – 0.8% Republic of Peru: 7.350%, 7-21-25	617	756
8.750%, 11-21-33	785	1,160
		<u>1,916</u>
Portugal – 2.7% Obrigacoes do Tesouro, 2.125%, 10-17-28 (A)	EUR 5,472	6,495
Qatar – 0.4% Qatar Government Bond, 5.103%, 4-23-48	\$ 900	936
Saudi Arabia – 0.6% Saudi Arabia Government Bond: 4.625%, 10-4-47	200	193
4.625%, 10-4-47 (B)	1,325	1,276
		<u>1,469</u>
South Africa – 1.3% Republic of South Africa: 5.875%, 9-16-25	427	434
3.750%, 7-24-26 (A)	EUR 101	122
9.000%, 1-31-40 (A)	ZAR 38,060	2,476
		<u>3,032</u>

SCHEDULE OF INVESTMENTS

IVY PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

OTHER GOVERNMENT SECURITIES(E) (Continued)	Principal	Value	UNITED STATES GOVERNMENT OBLIGATIONS	Principal	Value	SHORT-TERM SECURITIES	Principal	Value
South Korea – 0.3%			Treasury Obligations – 19.1%			Japan Government Treasury Bills – 3.7%		
Korea National Oil Corp., 2.875%, 3-27-22 (B)	\$ 731	\$ 709	U.S. Treasury Bonds, 4.500%, 2-15-36	\$ 976	\$ 1,158	Japan Government Treasury Bills, 0.000%, 12-10-18 (A)(K)	JPY 1,000,000	\$ 8,803
Spain – 0.6%			U.S. Treasury Notes: 2.000%, 2-28-21	12,491	12,242	Master Note – 1.2%		
Telefonica Emisiones S.A.U., 4.693%, 11-11-19 (A)	EUR 1,200	1,466	1.250%, 10-31-21	428	407	Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10-5-18(I)	\$ 2,914	2,914
Sri Lanka – 0.5%			1.875%, 2-28-22(G)	12,110	11,707	United Kingdom Government Treasury Bills – 5.4%		
Republic of Sri Lanka: 6.850%, 11-3-25	\$ 757	747	1.375%, 6-30-23(H)	1,810	1,685	United Kingdom Government Treasury Bills, 0.650%, 10-15-18 (A)(K)	GBP 10,000	13,031
6.200%, 5-11-27 (B)	380	356	2.625%, 6-30-23	2,400	2,366			
		1,103	1.250%, 7-31-23	2,050	1,894			
Sweden – 0.7%			1.375%, 8-31-23	854	793			
Kingdom of Sweden, 0.125%, 4-24-23 (A)(B)	EUR 1,470	1,712	2.500%, 1-31-25	8,890	8,636			
Tunisia – 0.3%			2.000%, 11-15-26	440	407			
Banque Centrale de Tunisie, 5.625%, 2-17-24(A)	606	688	2.375%, 5-15-27(H)	2,940	2,792			
Turkey – 0.3%			2.250%, 11-15-27(H)	1,590	1,488			
Turkey Government Bond: 3.500%, 2-20-19 (A)	TRY 3,643	604			45,906			
6.000%, 3-25-27	\$ 200	182						
		786						
United Arab Emirates – 0.4%								
Abu Dhabi Government Bond, 2.500%, 10-11-22 (B)	960	924						
TOTAL OTHER GOVERNMENT SECURITIES – 24.5%		\$58,568	TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 19.1%		\$45,906	TOTAL SHORT-TERM SECURITIES – 10.3%		\$ 24,748
(Cost: \$60,644)			(Cost: \$46,486)			(Cost: \$24,985)		
						TOTAL INVESTMENT SECURITIES – 95.9%		\$230,628
						(Cost: \$236,001)		
						CASH AND OTHER ASSETS, NET OF LIABILITIES(J) – 4.1%		9,900
						NET ASSETS – 100.0%		\$240,528

Notes to Schedule of Investments

*Not shown due to rounding.

(A)Principal amounts are denominated in the indicated foreign currency, where applicable (ARS — Argentine Peso, AUD — Australian Dollar, BRL — Brazilian Real, CAD — Canadian Dollar, CZK — Czech Koruna, EUR — Euro, GBP — British Pound, HUF — Hungarian Forint, JPY — Japanese Yen, MXN — Mexican Peso, NOK — Norwegian Krone, SEK — Swedish Krona, TRY — Turkish New Lira and ZAR — South African Rand).

(B)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$16,418 or 6.8% of net assets.

(C)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Description of the reference rate and spread, if applicable, are included in the security description.

(D)Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at September 30, 2018.

(E)Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(F)Zero coupon bond.

(G)All or a portion of securities with an aggregate value of \$1,286 have been pledged as collateral on open futures contracts.

(H)All or a portion of securities with an aggregate value of \$661 are held in collateralized accounts for OTC foreign forward currency contracts collateral.

SEPTEMBER 30, 2018

(I) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(J) Cash of \$1,173 is held in collateralized accounts for centrally cleared swap agreement collateral.

(K) Rate shown is the yield to maturity at September 30, 2018.

The following centrally cleared credit default swaps – sold protection ⁽¹⁾ were outstanding at September 30, 2018:

Index	Receive Fixed Rate	Maturity Date	Implied Credit Spread at September 30, 2018 ⁽²⁾	Notional Amount ⁽³⁾	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation
5-Year Credit Derivatives Index - High Yield	5.000%	12-20-22	4.032%	2,900	\$ 229	\$ 174	\$ 55
5-Year Credit Derivatives Index - High Yield	5.000%	12-20-22	4.032	5,800	457	340	117
5-Year Credit Derivatives Index - High Yield	5.000%	12-20-22	4.032	4,600	362	306	56
Republic of South Africa	1.000%	6-20-22	2.215	100	(2)	(3)	1
					<u>\$1,046</u>	<u>\$ 817</u>	<u>\$229</u>

The following over the counter credit default swaps – buy protection⁽⁴⁾ were outstanding at September 30, 2018:

Referenced Obligation	Counterparty	(Pay) Fixed Rate	Maturity Date	Notional Amount ⁽³⁾	Value	Upfront Payments/ (Receipts)	Unrealized Depreciation
Republic of Korea	Barclays Bank plc	(1.000%)	12-20-22	6,800	<u>\$(188)</u>	<u>\$(83)</u>	<u>\$(105)</u>

The following over the counter credit default swaps – sold protection⁽¹⁾ were outstanding at September 30, 2018:

Referenced Obligation	Counterparty	Receive Fixed Rate	Maturity Date	Implied Credit Spread at September 30, 2018 ⁽²⁾	Notional Amount ⁽³⁾	Value	Upfront Payments/ (Receipts)	Unrealized Depreciation
Casino Guichard Perrachon SA	Barclays Bank plc	1.000%	6-20-23	7.908%	200	\$(35)	\$(26)	\$ (9)
Casino Guichard Perrachon SA	Barclays Bank plc	1.000%	6-20-23	7.908	300	(52)	(40)	(12)
Republic of South Africa	Citibank N.A.	1.000%	6-20-22	2.215	300	(7)	(9)	2
Republic of South Africa	Morgan Stanley & Co. International plc	1.000%	12-20-21	2.049	100	(2)	(5)	3
						<u>\$(96)</u>	<u>\$(80)</u>	<u>\$(16)</u>

(1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and/or deliver the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues, sovereign issues, or an index as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(3) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of the swap agreement.

(4) If the Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

SCHEDULE OF INVESTMENTS

IVY PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

The following forward foreign currency contracts were outstanding at September 30, 2018:

	Currency to be Delivered	Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation	
South African Rand	77,150	U.S. Dollar	5,228	10-17-18	Barclays Capital, Inc.	\$ —	\$217
New Taiwan Dollar	78,808	U.S. Dollar	2,567	12-12-18	Barclays Capital, Inc.	—	35
Australian Dollar	130	U.S. Dollar	94	10-17-18	Citibank N.A.	—	—*
Czech Koruna	4,560	U.S. Dollar	208	10-17-18	Citibank N.A.	2	—
Hungarian Forint	400,840	U.S. Dollar	1,441	10-17-18	Citibank N.A.	1	—
Mexican Peso	72,560	U.S. Dollar	3,825	10-17-18	Citibank N.A.	—	42
New Zealand Dollar	300	U.S. Dollar	198	10-17-18	Citibank N.A.	—	1
U.S. Dollar	2,421	Philippine Peso	129,301	11-5-18	Citibank N.A.	—	35
U.S. Dollar	120	Brazilian Real	501	11-16-18	Citibank N.A.	4	—
Japanese Yen	1,000,291	U.S. Dollar	8,990	12-10-18	Citibank N.A.	138	—
Euro	4,228	Swedish Krona	44,200	10-17-18	Deutsche Bank AG	64	—
Norwegian Krone	87,500	U.S. Dollar	10,671	10-17-18	Deutsche Bank AG	—	87
Turkish New Lira	3,310	U.S. Dollar	526	10-17-18	Deutsche Bank AG	—	17
U.S. Dollar	4,842	Canadian Dollar	6,300	10-17-18	Deutsche Bank AG	37	—
South Korean Won	492,259	U.S. Dollar	437	11-5-18	Deutsche Bank AG	—	7
U.S. Dollar	1,828	Brazilian Real	7,200	11-16-18	Deutsche Bank AG	—	52
British Pound	10,000	U.S. Dollar	13,136	10-15-18	Goldman Sachs International	94	—
British Pound	9,450	U.S. Dollar	12,343	10-17-18	Goldman Sachs International	18	—
Euro	10,054	Japanese Yen	1,318,000	10-17-18	Goldman Sachs International	—	75
Euro	57,500	U.S. Dollar	67,381	10-17-18	Goldman Sachs International	540	—
New Zealand Dollar	364	Euro	206	10-17-18	Goldman Sachs International	—	2
Romanian Leu	330	Euro	71	10-17-18	Goldman Sachs International	—*	—
Swedish Krona	21,291	Euro	2,066	10-17-18	Goldman Sachs International	3	—
Philippine Peso	133,405	U.S. Dollar	2,499	11-5-18	Goldman Sachs International	37	—
Brazilian Real	14,990	U.S. Dollar	3,644	11-16-18	Goldman Sachs International	—	54
Euro	2,072	Swedish Krona	22,000	12-4-18	Goldman Sachs International	70	—
Hungarian Forint	104,800	U.S. Dollar	381	10-17-18	Morgan Stanley International	4	—
U.S. Dollar	2,152	Indian Rupee	149,168	11-1-18	Morgan Stanley International	—	106
South Korean Won	7,702,132	U.S. Dollar	6,900	11-5-18	Morgan Stanley International	—	46
						\$1,012	\$776

SCHEDULE OF INVESTMENTS

IVY PICTET TARGETED RETURN BOND FUND *(in thousands)*

SEPTEMBER 30, 2018

The following futures contracts were outstanding at September 30, 2018 (contracts unrounded):

Description	Type	Number of Contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)
BTP Italian Government Bond	Long	2	12-6-18	200	\$ 288	\$ 2
Euro-Bobl 5-Year Bond	Short	35	12-6-18	3,500	(5,311)	26
Euro-Buxl 30-Year Bond	Long	14	12-6-18	1,400	2,833	(4)
Euro-OAT France Government 10-Year Bond	Short	110	12-6-18	11,000	(19,291)	163
Euro-Schatz	Long	1	12-6-18	100	130	—*
Euro-Bund 10-Year Bond	Short	94	12-10-18	9,400	(17,330)	95
U.S. 30-Year Treasury Bond	Short	101	12-19-18	10,100	(14,191)	403
U.S. 10-Year Treasury Note	Short	80	12-28-18	8,000	(9,503)	122
U.S. 10-Year Ultra Treasury Note	Long	34	12-28-18	3,400	4,284	(78)
U.S. 2-Year Treasury Note	Long	46	12-28-18	9,200	9,694	(28)
U.S. Treasury Ultra Long Bond	Short	18	12-28-18	1,800	(2,777)	109
United Kingdom Long Gilt	Short	41	12-28-18	4,100	(6,463)	76
U.S. 5-Year Treasury Note	Long	263	12-31-18	26,300	29,581	32
					<u>\$(28,056)</u>	<u>\$ 918</u>

The following centrally cleared interest rate swap agreements were outstanding at September 30, 2018:

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount(A)	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation (Depreciation)
Morgan Stanley & Co. International plc	Pay	28-Day Mexico Equilibrium Interbank Interest Rate	8.420%	8/10/2028	MXN3,018	\$ (19)	\$—	\$ (19)
Morgan Stanley & Co. International plc	Pay	3-Month Canadian Dollar Offered Rate	2.668%	3/14/2028	CAD16,548	(156)	—	(156)
Morgan Stanley & Co. International plc	Pay	3-Month LIBOR	2.933%	6/22/2022	\$33,306	(126)	—	(126)
Morgan Stanley & Co. International plc	Receive	3-Month LIBOR	2.860%	2/26/2025	10,246	108	—	108
Morgan Stanley & Co. International plc	Receive	3-Month LIBOR	2.398%	11/16/2045	4,397	376	—	376
Morgan Stanley & Co. International plc	Receive	3-Month Stockholm Interbank Offered Rate	1.223%	3/14/2028	SEK13,979	(20)	—	(20)
Morgan Stanley & Co. International plc	Receive	6-Month Bank Bill Swap Rate	2.481%	6/22/2022	AUD31,798	(148)	—	(148)
Morgan Stanley & Co. International plc	Receive	6-Month Prague Interbank Offered Rate	0.958%	7/3/2022	CZK6,361	293	—	293
						<u>\$308</u>	<u>\$—</u>	<u>\$308</u>

The following over the counter interest rate swap agreements were outstanding at September 30, 2018:

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount(A)	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation (Depreciation)
Barclays Bank plc	Receive	6-Month Budapest Interbank Offered Rate	0.920%	4/5/2020	HUF13,744	\$ (77)	\$—	\$ (77)
Barclays Bank plc	Receive	6-Month Budapest Interbank Offered Rate	0.920%	4/5/2020	2,240	(13)	(2)	(11)
						<u>\$(90)</u>	<u>\$(2)</u>	<u>\$(88)</u>

SEPTEMBER 30, 2018

The following written options were outstanding at September 30, 2018 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Notional Amount	Expiration Month	Exercise Price(A)	Premium Received	Value
EUR versus USD	Morgan Stanley & Co., Inc.	Call	17,853,649	17,854	November 2018	\$ 1.18	\$ 178	\$ (101)
	Deutsche Bank AG	Put	17,853,649	17,854	February 2019	1.21	814	(600)
	Deutsche Bank AG	Put	5,200,000	5,200	February 2019	1.21	52	(175)
Euro-Bund December Futures	N/A	Put	37	3,700	October 2018	EUR 158.50	18	(27)
	N/A	Put	72	7,200	November 2018	157.00	23	(37)
iTraxx Europe Crossover Series 29 Index	Deutsche Bank AG	Call	5,900,000	5,900	October 2018	275.00	18	(10)
iTraxx Europe Crossover Series 30 Index	Morgan Stanley & Co., Inc.	Call	6,100,000	6,100	December 2018	250.00	11	(8)
USD versus BRL	Goldman Sachs International	Call	7,288,000	7,288	November 2018	\$ 4.57	121	(62)
USD versus JPY	Morgan Stanley & Co., Inc.	Put	6,930,000	6,930	October 2018	107.40	46	(1)
USD versus TWD	Morgan Stanley & Co., Inc.	Put	4,500,000	4,500	March 2019	27.20	36	—*
	Morgan Stanley & Co., Inc.	Call	4,500,000	4,500	March 2019	29.48	123	(116)
USD versus ZAR	Morgan Stanley & Co., Inc.	Call	3,401,421	3,401	August 2019	18.07	101	(72)
							<u>\$1,541</u>	<u>\$(1,209)</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Purchased Options	\$ 96	\$ 1,383	\$ —
Corporate Debt Securities	—	99,927	—
Other Government Securities	—	58,568	—
United States Government Obligations	—	45,906	—
Short-Term Securities	—	24,748	—
Total	<u>\$ 96</u>	<u>\$230,532</u>	<u>\$ —</u>
Centrally Cleared Credit Default Swaps	\$ —	\$ 229	\$ —
Forward Foreign Currency Contracts	\$ —	\$ 1,012	\$ —
Futures Contracts	\$1,028	\$ —	\$ —
Centrally Cleared Interest Rate Swaps	\$ —	\$ 777	\$ —
Liabilities			
Over the Counter Credit Default Swaps	\$ —	\$ 284	\$ —
Forward Foreign Currency Contracts	\$ —	\$ 776	\$ —
Futures Contracts	\$ 110	\$ —	\$ —
Centrally Cleared Interest Rate Swaps	\$ —	\$ 469	\$ —
Over the Counter Interest Rate Swaps	\$ —	\$ 90	\$ —
Written Options	\$ 64	\$ 1,145	\$ —

SEPTEMBER 30, 2018

During the year ended September 30, 2018, securities totaling \$4 were transferred from Level 1 to Level 2 due to the lack of observable market data due to decreased market activity or information for these securities. Transfers out of Level 1 represent the values as of the beginning of the reporting period.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

OTC = Over the Counter

REIT = Real Estate Investment Trust

Country Diversification

(as a % of net assets)

United States	26.3%
United Kingdom	6.1%
Germany	6.0%
Norway	5.1%
France	4.4%
Netherlands	3.9%
Italy	3.3%
Portugal	2.7%
Spain	2.6%
China	1.8%

Country Diversification (Continued)

Luxembourg	1.6%
Mexico	1.6%
South Africa	1.5%
Canada	1.4%
Sweden	1.1%
Japan	0.5%
Other Countries	15.1%
Other+	15.0%

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

(UNAUDITED)

Ivy PineBridge High Yield Fund is subadvised by PineBridge Investments LLC.

Below, John Yovanovic, CFA, Dan Purser and Jeremy Burton, CFA, portfolio managers of the Ivy PineBridge High Yield Fund, discuss positioning, performance and results for the fiscal year ended September 30, 2018. Mr. Yovanovic has managed the Fund since May 2017 and has 18 years of industry experience. Mr. Purser has managed the Fund since May 2017 and has 23 years of industry experience. Mr. Burton has managed the Fund since May 2017 and has 15 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended September 30, 2018

Ivy PineBridge High Yield Fund (Class A — at net asset value)	1.71%
Ivy PineBridge High Yield Fund (Class A — including sales charges)	-4.15%
Benchmark(s) and/or Lipper Category	
Bloomberg Barclays U.S. Corporate High-Yield Index (generally reflects the performance of securities representing the corporate high yield market)	3.05%
Lipper High Yield Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	2.27%

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.

Market Update

At the beginning of the fiscal year, high yield spreads and broader risk assets outperformed as the optimism around corporate earnings and a pro-reflationary rise in equities more than offset the impact of Treasury rate concerns. Volatility in high yield towards the end of 2017 was short-lived as the market was able to easily absorb new tax legislation, a Federal Reserve (Fed) rate hike and multi-year highs in oil prices.

The first six months of 2018 was a tale of two halves for credit markets. Spreads continued tightening amid solid gains for equity markets and higher oil prices. The narrative for corporate fundamentals continued to improve with upgrades to global growth expectations and optimism around the impact of new tax reform. However, enthusiasm began to wane amidst volatility in equity and oil markets, concerns over U.S. trade policy and the impact on global growth, along with U.S. Treasury yields surging to the highest levels since 2014.

Negative investor sentiment translated into outflows from mutual funds and ETFs, creating a negative technical environment and driving spreads wider. This continued as evidence of stronger global growth and wage gains led to concerns around inflation and the potential for a more accelerated pace of central bank policy tightening. In March and June, investors had to contend with Fed rate hikes and a Federal Open Market Committee (FOMC) meeting that leaned slightly hawkish. On the global front, the European Central Bank announced it would end its bond purchase program by the end of 2018, but signaled any interest rate hike was still distant.

Towards the end of the fiscal year, high yield spreads performed well in the third quarter amid a backdrop of renewed optimism related U.S. trade policy, easing pressure in select emerging markets, higher oil and commodity prices and fresh record highs in U.S. equity markets. Treasury rates traded higher across all maturities on the curve. New issue supply remained subdued as only \$42.1 billion priced which is historically low. The high yield market remains significantly undersupplied at the end of the fiscal year.

Performance and Positioning

For the fiscal year ended September 30, 2018, the Ivy PineBridge High Yield Fund underperformed its Lipper peer group and its benchmark. Both sector selection and security selection served as minor detractors during the year. From a sector selection standpoint, the Fund benefitted from an underweight allocation to the banking and automotive sectors. However, these contributions were more than offset by the cash drag and the impact of an underweight allocation to the pharmaceutical sector. From a security selection standpoint, wireless and technology names detracted and more than offset contributions from finance companies and automotive names in the portfolio.

The Fund's maturity positioning remains underweight the front-end of the yield curve as many of these bonds have been trading above par and offer little potential for capital appreciation. Our preference is the belly of the yield curve, where we

believe our credit selection expertise can drive outperformance by identifying securities that stand to benefit from potential spread compression. This has resulted in a longer duration profile, a less negative convexity and has contributed to the Fund's yield and spread differential relative its benchmark.

From a credit rating standpoint, we prefer core single-B rated credits, as this area has presented the largest number of attractively priced securities. We are underweight the most interest rate sensitive rating tier (BB rated) and we are also underweight the rating tier with the largest default risk (CCC rated). The Fund is overweight real estate investment trusts (REITS) and other industrial and basic industry sectors, while underweight consumer non-cyclical, capital goods and banking sectors.

Outlook

Sales and earnings estimates appear to remain strong for the next couple quarters for public issuers with high yield debt and the equity market. Investors remain disciplined on credit despite a notable lack of supply. From a valuation standpoint, we remain in the 310-370 option-adjusted spread range, implying a default rate of approximately 2%.

Overall levels look fair-to-fully valued as we see the potential for headwinds from the Treasury curve and the impact of collateralized loan obligation/loan spreads balanced by the tailwinds of strong earnings from the leveraged finance issuer base. Technical conditions remain positive overall with volatile flows and continued light primary calendar. Trade war fears and commodity price movement continue to have outsized influence on day-to-day fund flows.

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. 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.

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 and includes reinvested dividends, and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy PineBridge High Yield Fund.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	92.6%
Corporate Debt Securities	92.4%
Asset-Backed Securities	0.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	7.4%

Quality Weightings

Investment Grade	1.9%
BBB	1.9%
Non-Investment Grade	90.7%
BB	29.0%
B	51.1%
CCC	9.9%
Non-rated	0.7%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	7.4%

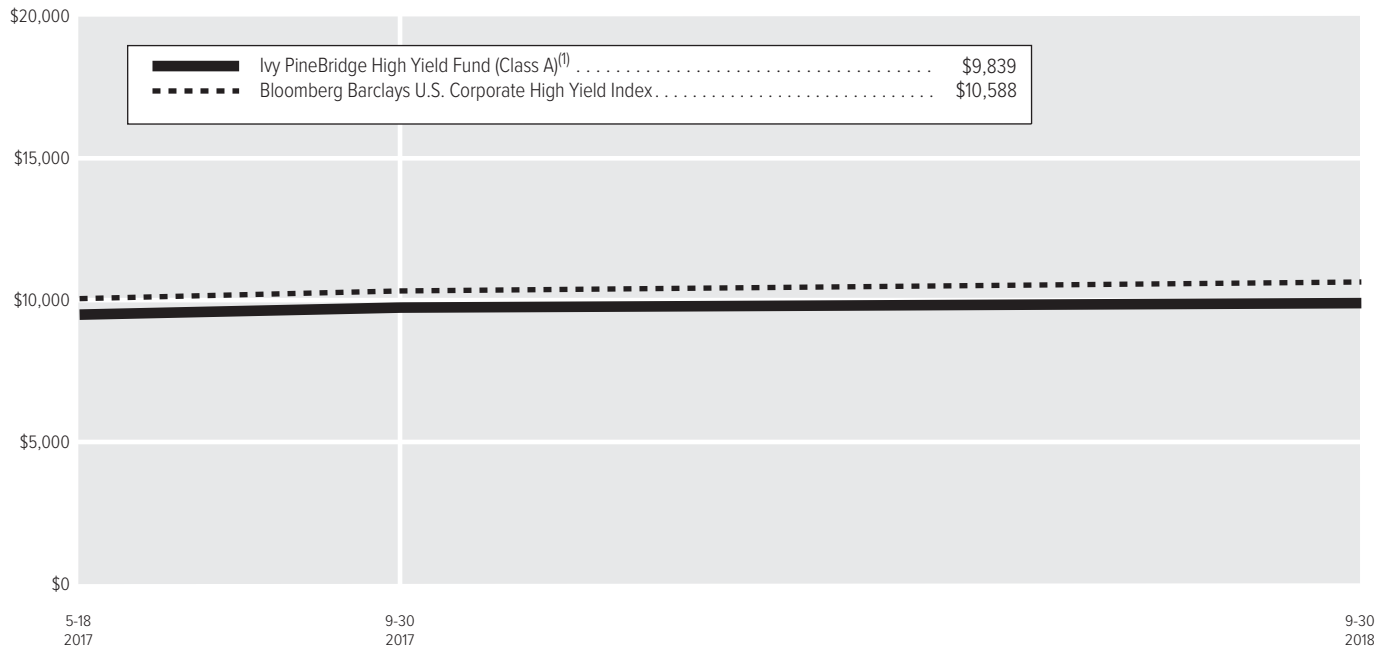
Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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 PINEBRIDGE HIGH YIELD 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 I	Class N	Class R
1-year period ended 9-30-18	-4.15%	2.10%	2.00%	1.19%
5-year period ended 9-30-18	—	—	—	—
10-year period ended 9-30-18	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	-1.18%	3.54%	3.46%	2.70%

(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.ivyinvestments.com for the Fund's most recent month end performance. Class A shares carry a maximum front-end sales load of 5.75%. Class I, Class N, and Class R 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) 5-18-17 for Class A shares, 5-18-17 for Class I shares, 5-18-17 for Class N shares and 5-18-17 for Class R 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 PINEBRIDGE HIGH YIELD FUND *(in thousands)*

SEPTEMBER 30, 2018

ASSET-BACKED SECURITIES	Principal	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value
United Airlines Pass-Through Certificates, Series 2014-2B, 4.625%, 9-3-22	\$203	\$ 203	Casinos & Gaming – 3.8% ESH Hospitality, Inc., 5.250%, 5-1-25(A)	\$800	\$ 776	Restaurants – 0.3% Brinker International, Inc. (GTD by Brinker Restaurant Corp., Brinker Texas, Inc. and Brinker Florida, Inc.), 5.000%, 10-1-24(A)	\$225	\$ 213
TOTAL ASSET-BACKED SECURITIES – 0.2%	\$ 203		Everi Payments, Inc., 7.500%, 12-15-25(A)	545	550	Specialized Consumer Services – 0.5% frontdoor, Inc., 6.750%, 8-15-26(A)	414	427
(Cost: \$207)			GLP Capital L.P. and GLP Financing II, Inc., 5.375%, 4-15-26	450	457	Specialty Stores – 1.2% Arch Merger Sub, Inc., 8.500%, 9-15-25(A)	655	615
CORPORATE DEBT SECURITIES			Golden Nugget, Inc., 8.750%, 10-1-25(A)	218	229	Party City Holdings, Inc., 6.625%, 8-1-26(A)	418	423
Consumer Discretionary			International Game Technology plc, 6.500%, 2-15-25(A)	395	410			1,038
Auto Parts & Equipment – 0.5% Delphi Jersey Holdings plc, 5.000%, 10-1-25(A)	430	405	LHMC Finco S.a.r.l., 7.875%, 12-20-23(A)	445	452	Total Consumer Discretionary – 22.6%		19,634
Automotive Retail – 0.9% Allison Transmission, Inc., 5.000%, 10-1-24(A)	361	359	Scientific Games International, Inc. (GTD by Scientific Games Corp.), 5.000%, 10-15-25(A)	445	423	Consumer Staples		
Asbury Automotive Group, Inc., 6.000%, 12-15-24	157	159			3,297	Food Retail – 0.8% Albertsons Cos. LLC, Safeway, Inc., New Albertson's, Inc. and Albertson's LLC, 5.750%, 3-15-25	784	702
Lithia Motors, Inc., 5.250%, 8-1-25(A)	259	248	Consumer Electronics – 0.4% Conn's, Inc., 7.250%, 7-15-22	357	354	Household Products – 0.5% First Quality Finance Co., Inc., 5.000%, 7-1-25(A)	429	401
		766	Homebuilding – 1.6% Mattamy Group Corp., 6.500%, 10-1-25(A)	443	430	Packaged Foods & Meats – 1.7% JBS USA LLC and JBS USA Finance, Inc.: 5.875%, 7-15-24(A)	587	578
Broadcasting – 1.9% Gray Television, Inc.: 5.125%, 10-15-24(A)	448	433	Weekley Homes LLC and Weekley Finance Corp., 6.000%, 2-1-23	625	604	5.750%, 6-15-25(A)	135	132
5.875%, 7-15-26(A)	97	96	William Lyon Homes, 6.000%, 9-1-23	400	386	Land O'Lakes Capital Trust I, 7.450%, 3-15-28(A)	167	181
Sirius XM Radio, Inc., 5.375%, 7-15-26(A)	515	511			1,420	Pilgrim's Pride Corp., 5.875%, 9-30-27(A)	655	619
Univision Communications, Inc., 5.125%, 5-15-23(A)	660	632	Hotels, Resorts & Cruise Lines – 0.9% Wyndham Worldwide Corp.: 4.150%, 4-1-24	415	403			1,510
		1,672	4.500%, 4-1-27	420	396	Personal Products – 0.4% Coty, Inc., 6.500%, 4-15-26(A)	400	373
Cable & Satellite – 8.3% Altice Financing S.A., 7.500%, 5-15-26(A)	655	639	Internet & Direct Marketing Retail – 0.9% Netflix, Inc., 5.875%, 2-15-25	490	506	Total Consumer Staples – 3.4%		2,986
Altice France S.A., 7.375%, 5-1-26(A)	865	866	Travelport Corporate Finance plc, 6.000%, 3-15-26(A)	304	309	Energy		
Altice S.A., 7.625%, 2-15-25(A)(B)	900	816			815	Coal & Consumable Fuels – 0.4% CONSOL Energy, Inc., 6.875%, 6-15-25(A)	380	395
Block Communications, Inc., 6.875%, 2-15-25(A)	799	819	Publishing – 1.4% A. H. Belo Corp., 7.750%, 6-1-27	327	351	Integrated Oil & Gas – 0.3% Apergy Corp., 6.375%, 5-1-26(A)	271	278
CCO Holdings LLC and CCO Holdings Capital Corp.: 5.875%, 4-1-24(A)	338	345	E.W. Scripps Co., 5.125%, 5-15-25(A)	429	412	Oil & Gas Drilling – 2.4% KCA Deutag UK Finance plc, 9.875%, 4-1-22(A)	475	473
5.375%, 5-1-25(A)	275	273	McGraw-Hill Global Education Holdings LLC and McGraw-Hill Global Education Finance, Inc., 7.875%, 5-15-24(A)	470	421			
5.000%, 2-1-28(A)	235	221			1,184			
CSC Holdings LLC: 6.750%, 11-15-21	380	400						
5.500%, 4-15-27(A)	415	404						
DISH DBS Corp., 6.750%, 6-1-21	390	398						
Hughes Satellite Systems Corp., 6.625%, 8-1-26	515	498						
Intelsat Jackson Holdings S.A.: 5.500%, 8-1-23	930	857						
8.500%, 10-15-24(A)	288	291						
Telesat Canada and Telesat LLC, 8.875%, 11-15-24(A)	390	417						
		7,244						

SCHEDULE OF INVESTMENTS

IVY PINEBRIDGE HIGH YIELD FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Oil & Gas Drilling (Continued)		
Noble Holding International Ltd.:		
7.750%, 1-15-24(B)	\$ 241	\$ 239
7.875%, 2-1-26(A)	285	296
Shelf Drilling Holdings Ltd.,		
8.250%, 2-15-25(A)	400	412
Trinidad Drilling Ltd.,		
6.625%, 2-15-25(A)	667	660
	<u>2,080</u>	
Oil & Gas Equipment & Services – 1.7%		
Calfrac Holdings L.P.,		
8.500%, 6-15-26(A)	630	588
Forum Energy Technologies, Inc.,		
6.250%, 10-1-21	340	339
Hi-Crush Partners L.P.,		
9.500%, 8-1-26(A)	625	581
	<u>1,508</u>	
Oil & Gas Exploration & Production – 4.7%		
Chaparral Energy, Inc.,		
8.750%, 7-15-23(A)	425	424
Endeavor Energy Resources L.P.,		
5.500%, 1-30-26(A)	500	500
Extraction Oil & Gas, Inc.,		
5.625%, 2-1-26(A)	425	376
Hilcorp Energy I L.P. and Hilcorp		
Finance Co.,		
5.000%, 12-1-24(A)	650	634
Lonestar Resources America, Inc.,		
11.250%, 1-1-23(A)	367	403
Newfield Exploration Co.,		
5.375%, 1-1-26	400	415
Pioneer Energy Services Corp.,		
6.125%, 3-15-22	425	372
Sanchez Energy Corp.,		
6.125%, 1-15-23	237	136
Southwestern Energy Co.,		
7.500%, 4-1-26	310	325
WildHorse Resource Development		
Corp.,		
6.875%, 2-1-25	470	485
	<u>4,070</u>	
Oil & Gas Refining & Marketing – 1.2%		
Callon Petroleum Co. (GTD by Callon		
Petroleum Operating Co.),		
6.375%, 7-1-26	420	427
PBF Holding Co. LLC and PBF		
Finance Corp.,		
7.250%, 6-15-25	120	126
QEP Resources, Inc.,		
5.625%, 3-1-26	475	454
	<u>1,007</u>	
Oil & Gas Storage & Transportation – 4.4%		
Cheniere Corpus Christi Holdings		
LLC:		
7.000%, 6-30-24	525	575
5.125%, 6-30-27	200	201
Energy Transfer Equity L.P.,		
4.250%, 3-15-23	470	467

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Oil & Gas Storage & Transportation (Continued)		
Genesis Energy L.P. and Genesis		
Energy Finance Corp.,		
6.000%, 5-15-23	\$ 550	\$ 542
Holly Energy Partners L.P. and Holly		
Energy Finance Corp.,		
6.000%, 8-1-24(A)	424	434
Rose Rock Midstream L.P. and Rose		
Rock Finance Corp.,		
5.625%, 7-15-22	600	596
5.625%, 11-15-23	154	149
Summit Midstream Holdings LLC and		
Summit Midstream Finance Corp.,		
5.500%, 8-15-22	500	500
USA Compression Partners L.P.,		
6.875%, 4-1-26(A)	351	362
	<u>3,826</u>	
Total Energy – 15.1%		13,164
Financials		
Consumer Finance – 3.0%		
Credit Acceptance Corp.,		
7.375%, 3-15-23	201	211
Enova International, Inc.:		
8.500%, 9-1-24(A)	500	501
8.500%, 9-15-25(A)	250	249
FirstCash, Inc.,		
5.375%, 6-1-24(A)	420	422
Quicken Loans, Inc.,		
5.750%, 5-1-25(A)	500	499
Springleaf Finance Corp.:		
6.875%, 3-15-25	600	600
7.125%, 3-15-26	165	164
	<u>2,646</u>	
Financial Exchanges & Data – 1.3%		
Donnelley Financial Solutions, Inc.,		
8.250%, 10-15-24	609	643
Financial & Risk U.S. Holdings, Inc.:		
6.250%, 5-15-26(A)	131	131
8.250%, 11-15-26(A)	315	313
	<u>1,087</u>	
Investment Banking & Brokerage – 0.7%		
LPL Holdings, Inc.,		
5.750%, 9-15-25(A)	575	563
Mortgage REITs – 1.3%		
iStar, Inc.:		
6.000%, 4-1-22	150	151
5.250%, 9-15-22	419	413
Starwood Property Trust, Inc.,		
4.750%, 3-15-25	600	574
	<u>1,138</u>	
Property & Casualty Insurance – 0.5%		
Amwins Group, Inc.,		
7.750%, 7-1-26(A)	430	447

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Specialized Finance – 3.4%		
CTR Partnership L.P. and CareTrust		
Capital Corp. (GTD by CareTrust		
REIT),		
5.250%, 6-1-25	\$ 438	\$ 427
Diamond 1 Finance Corp. and		
Diamond 2 Finance Corp.,		
6.020%, 6-15-26(A)	395	421
FS Energy and Power Fund,		
7.500%, 8-15-23(A)	416	425
Inmarsat Finance plc (GTD by		
Inmarsat Group Ltd.),		
6.500%, 10-1-24(A)	420	426
Navient Corp.,		
5.625%, 8-1-33	750	628
UPCB Finance IV Ltd.,		
5.375%, 1-15-25(A)	625	624
	<u>2,951</u>	
Total Financials – 10.2%		8,832
Health Care		
Health Care Facilities – 1.8%		
CHS/Community Health Systems, Inc.		
(GTD by Community Health		
Systems, Inc.),		
5.125%, 8-1-21(B)	224	218
HCA, Inc. (GTD by HCA Holdings,		
Inc.):		
6.500%, 2-15-20	375	389
5.250%, 6-15-26	300	309
MEDNAX, Inc.,		
5.250%, 12-1-23(A)	621	622
	<u>1,538</u>	
Managed Health Care – 0.1%		
Centene Escrow I Corp.,		
5.375%, 6-1-26(A)	94	96
Pharmaceuticals – 1.4%		
Endo Finance LLC and Endo Finco,		
Inc. (GTD by Endo Ltd.),		
5.375%, 1-15-23(A)(C)	247	217
HLF Financing S.a.r.l. LLC and		
Herbalife International, Inc.,		
7.250%, 8-15-26(A)	63	64
VRX Escrow Corp.,		
5.875%, 5-15-23(A)	960	932
	<u>1,213</u>	
Total Health Care – 3.3%		2,847
Industrials		
Aerospace & Defense – 0.6%		
Triumph Group, Inc.,		
4.875%, 4-1-21	527	509
Building Products – 0.9%		
GCP Applied Technologies, Inc.,		
5.500%, 4-15-26(A)	340	334

SCHEDULE OF INVESTMENTS

IVY PINEBRIDGE HIGH YIELD FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Building Products (Continued)		
Standard Industries, Inc., 6.000%, 10–15–25(A)	\$400	\$ 409
		<u>743</u>
Commercial Printing – 0.7%		
Cimpress N.V., 7.000%, 61–5–26(A)	630	636
		<u>636</u>
Construction & Engineering – 0.6%		
Tutor Perini Corp., 6.875%, 5–1–25(A)	550	565
		<u>565</u>
Construction Machinery & Heavy Trucks – 0.6%		
J.B. Poindexter & Co., Inc., 7.125%, 4–15–26(A)	520	539
		<u>539</u>
Diversified Support Services – 0.5%		
Ahern Rentals, Inc., 7.375%, 5–15–23(A)	430	424
		<u>424</u>
Industrial Conglomerates – 0.8%		
Graham Holdings Co., 5.750%, 6–1–26(A)	550	563
Stevens Holding Co., Inc., 6.125%, 10–1–26(A)	113	115
		<u>678</u>
Industrial Machinery – 1.7%		
Cleaver-Brooks, Inc., 7.875%, 3–1–23(A)	320	327
Energizer Gamma Acquisition, Inc., 6.375%, 7–15–26(A)	425	440
Moog, Inc., 5.250%, 12–1–22(A)	300	302
Terex Corp., 5.625%, 2–1–25(A)	426	423
		<u>1,492</u>
Marine Ports & Services – 0.5%		
Great Lakes Dredge & Dock Corp., 8.000%, 5–15–22	425	437
		<u>437</u>
Security & Alarm Services – 0.7%		
ADT Corp. (The): 6.250%, 10–15–21	104	109
4.125%, 6–15–23	570	545
		<u>654</u>
Trading Companies & Distributors – 1.6%		
Central Garden & Pet Co., 5.125%, 2–1–28	450	428
H&E Equipment Services, Inc., 5.625%, 9–1–25	515	514
Jurassic Holdings III, Inc., 6.875%, 2–15–21(A)	422	411
		<u>1,353</u>
Total Industrials – 9.2%		<u>8,030</u>

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Information Technology		
Application Software – 1.4%		
CDK Global, Inc., 5.875%, 6–15–26	\$363	\$ 375
Delta Merger Sub, Inc., 6.000%, 9–15–26(A)	555	562
Infor (U.S.), Inc., 6.500%, 5–15–22	230	233
		<u>1,170</u>
Data Processing & Outsourced Services – 1.6%		
Alliance Data Systems Corp., 5.875%, 11–1–21(A)	600	612
Harland Clarke Holdings Corp., 8.375%, 8–15–22(A)	836	802
		<u>1,414</u>
Electronic Components – 1.0%		
EnerSys, 5.000%, 4–30–23(A)	480	485
TTM Technologies, Inc., 5.625%, 10–1–25(A)	405	406
		<u>891</u>
Electronic Equipment & Instruments – 0.5%		
Diebold, Inc., 8.500%, 4–15–24(B)	562	402
		<u>402</u>
Technology Distributors – 0.7%		
Ingram Micro, Inc., 5.450%, 12–15–24(C)	632	622
		<u>622</u>
Technology Hardware, Storage & Peripherals – 1.1%		
Inception Parent, Inc., Inception Merger Sub, Inc. and Rackspace Hosting, Inc., 8.625%, 11–15–24(A)(B)	415	404
Seagate HDD Cayman (GTD by Seagate Technology plc), 4.750%, 1–1–25	550	527
		<u>931</u>
Total Information Technology – 6.3%		<u>5,430</u>
Materials		
Aluminum – 1.1%		
Novelis Corp. (GTD by Novelis, Inc.): 6.250%, 8–15–24(A)	475	485
5.875%, 9–30–26(A)	450	439
		<u>924</u>
Commodity Chemicals – 1.0%		
NOVA Chemicals Corp., 5.000%, 5–1–25(A)	475	451
Trinseo Materials Operating SCA and Trinseo Materials Finance, Inc., 5.375%, 9–1–25(A)	395	381
		<u>832</u>

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Diversified Metals & Mining – 2.8%		
Cliffs Natural Resources, Inc., 5.750%, 3–1–25	\$700	\$ 681
Eco Oro Minerals Corp., 5.750%, 12–1–25(A)	680	663
First Quantum Minerals Ltd.: 7.250%, 4–1–23(A)	285	272
6.500%, 3–1–24(A)	409	374
Freeport–McMoRan, Inc., 3.875%, 3–15–23	456	441
		<u>2,431</u>
Fertilizers & Agricultural Chemicals – 0.5%		
OCI N.V., 6.625%, 4–15–23(A)	401	415
		<u>415</u>
Metal & Glass Containers – 1.5%		
Crown Americas LLC and Crown Americas Capital Corp. IV, 4.750%, 2–1–26(A)(B)	171	164
Crown Cork & Seal Co., Inc., 7.375%, 12–15–26	294	319
HudBay Minerals, Inc., 7.250%, 1–15–23(A)	389	400
Owens-Brockway Glass Container, Inc., 5.375%, 1–15–25(A)	463	458
		<u>1,341</u>
Paper Packaging – 1.0%		
Cascades, Inc.: 5.500%, 7–15–22(A)	185	186
5.750%, 7–15–23(A)	230	230
Multi-Color Corp., 4.875%, 11–1–25(A)	475	444
		<u>860</u>
Specialty Chemicals – 0.8%		
Kraton Polymers LLC and Kraton Polymers Capital Corp., 7.000%, 4–15–25(A)	415	427
Starfruit Finco B.V. and Starfruit U.S. Holdco LLC, 8.000%, 10–1–26(A)	309	313
		<u>740</u>
Steel – 2.0%		
AK Steel Corp., 6.375%, 10–15–25(B)	350	333
Commercial Metals Co., 5.750%, 4–15–26(A)	332	322
Grinding Media, Inc. and MC Grinding Media Canada, Inc., 7.375%, 12–15–23(A)	37	38
SunCoke Energy Partners L.P. and SunCoke Energy Partners Finance Corp., 7.500%, 6–15–25(A)	585	603

SCHEDULE OF INVESTMENTS

IVY PINEBRIDGE HIGH YIELD FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Steel (Continued)		
U.S. Steel Corp., 6.875%, 8-15-25	\$ 425	\$ 434
		<u>1,730</u>
Total Materials – 10.7%		9,273
Real Estate		
Health Care REITs – 1.0%		
MPT Operating Partnership L.P. and MPT Finance Corp. (GTD by Medical Properties Trust, Inc.), 5.000%, 10-15-27	535	517
Sabra Health Care L.P., 5.125%, 8-15-26	320	313
		<u>830</u>
Industrial REITs – 1.2%		
Avolon Holdings Funding Ltd., 5.125%, 10-1-23(A)	425	429
Kennedy-Wilson, Inc. (GTD by Kennedy-Wilson Holdings, Inc.), 5.875%, 4-1-24	650	640
		<u>1,069</u>
Real Estate Services – 0.7%		
Realogy Group LLC and Realogy Co-Issuer Corp., 4.875%, 6-1-23(A)	665	623
Specialized REITs – 1.0%		
GEO Group, Inc. (The), 5.125%, 4-1-23	430	412
Iron Mountain, Inc., 4.875%, 9-15-27(A)	455	417
		<u>829</u>
Total Real Estate – 3.9%		3,351
Telecommunication Services		
Alternative Carriers – 0.6%		
Cogent Communications Holdings, Inc., 5.375%, 3-1-22(A)	535	543
Integrated Telecommunication Services – 4.0%		
CenturyLink, Inc., 6.750%, 12-1-23(B)	600	623
Frontier Communications Corp., 9.000%, 8-15-31	657	419
Sprint Corp., 7.250%, 9-15-21	765	808
7.875%, 9-15-23	1,500	1,616
		<u>3,466</u>
Wireless Telecommunication Service – 0.6%		
C&W Senior Financing Designated Activity Co., 6.875%, 9-15-27(A)	544	542
Total Telecommunication Services – 5.2%		4,551

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Utilities		
Electric Utilities – 0.5%		
NRG Yield Operating LLC, 5.375%, 8-15-24	\$ 480	\$ 482
Independent Power Producers & Energy Traders – 0.7%		
Pattern Energy Group, Inc. (GTD by Pattern U.S. Finance Co. LLC), 5.875%, 2-1-24(A)	564	570
Multi-Utilities – 1.3%		
MGE Energy Corp., 6.375%, 1-30-23(A)	601	547
6.500%, 1-15-25(A)	611	605
		<u>1,152</u>
Total Utilities – 2.5%		2,204
TOTAL CORPORATE DEBT SECURITIES – 92.4%		\$80,302
(Cost: \$81,657)		
SHORT-TERM SECURITIES		
Commercial Paper(D) – 3.8%		
J.M. Smucker Co. (The), 2.400%, 10-1-18	3,252	3,251
Master Note – 2.6%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10-5-18(E)	2,291	2,291
Money Market Funds – 1.4%		
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares, 2.140%, (F)(G)	1,260	1,260
TOTAL SHORT-TERM SECURITIES – 7.8%		\$ 6,802
(Cost: \$6,803)		
TOTAL INVESTMENT SECURITIES – 100.4%		\$ 87,307
(Cost: \$88,667)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.4)%		(326)
NET ASSETS – 100.0%		\$ 86,981

SEPTEMBER 30, 2018

Notes to Schedule of Investments

(A) Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$50,017 or 57.5% of net assets.

(B) All or a portion of securities with an aggregate value of \$1,232 are on loan.

(C) Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at September 30, 2018.

(D) Rate shown is the yield to maturity at September 30, 2018.

(E) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(F) Investment made with cash collateral received from securities on loan.

(G) Rate shown is the annualized 7-day yield at September 30, 2018.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Asset-Backed Securities	\$ —	\$ 203	\$ —
Corporate Debt Securities	—	80,302	—
Short-Term Securities	1,260	5,542	—
Total	<u>\$1,260</u>	<u>\$86,047</u>	<u>\$ —</u>

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

IVY FUNDS

AS OF SEPTEMBER 30, 2018

(In thousands, except per share amounts)	Ivy Apollo Multi- Asset Income Fund	Ivy Apollo Strategic Income Fund	Ivy California Municipal High Income Fund	Ivy Cash Management Fund	Ivy Corporate Bond Fund ⁽¹⁾	Ivy Crossover Credit Fund	Ivy Government Securities Fund	Ivy IG International Small Cap Fund
ASSETS								
Investments in unaffiliated securities at value+^	\$ 521,256	\$ 503,777	\$ 28,277	\$ 1,286,103	\$ 950,975	\$ 35,563	\$ 373,786	\$ 174,561
Investments at Value	521,256	503,777	28,277	1,286,103	950,975	35,563	373,786	174,561
Cash	932	2,147	2	1,206	1	1	4,039	1
Cash denominated in foreign currencies at value+	4,153	1,306	—	—	—	—	—	1,901
Investment securities sold receivable	4,005	3,590	—	—	—	1,693	—	3,244
Dividends and interest receivable	4,184	6,139	286	1,471	8,783	422	1,879	715
Capital shares sold receivable	434	697	3	21,133	556	87	285	187
Receivable from affiliates	98	218	55	—	—	57	43	134
Unrealized appreciation on forward foreign currency contracts	241	232	—	—	—	—	—	—
Receivable from securities lending income — net	11	6	—	—	1	—*	—	3
Prepaid and other assets	67	66	39	143	109	37	78	27
Total Assets	535,381	518,178	28,662	1,310,056	960,425	37,860	380,110	180,773
LIABILITIES								
Cash collateral on securities loaned at value	13,457	7,408	—	—	341	220	—	3,867
Investment securities purchased payable	9,192	10,900	579	—	—	492	4,027	3,733
Capital shares redeemed payable	1,244	670	21	26,131	1,860	195	582	184
Distributions payable	—	—	6	166	—	—	64	—
Independent Trustees and Chief Compliance Officer fees payable	9	8	—*	184	256	—*	87	1
Distribution and service fees payable	4	3	1	—*	8	—*	2	1
Shareholder servicing payable	85	68	2	498	187	4	44	14
Investment management fee payable	30	28	1	36	37	2	15	14
Accounting services fee payable	12	12	3	22	23	2	11	6
Other liabilities	24	24	8	51	17	14	29	17
Total Liabilities	24,057	19,121	621	27,088	2,729	929	4,861	7,837
Commitments and Contingencies (see Note 2 and Note 11)								
Total Net Assets	\$ 511,324	\$ 499,057	\$ 28,041	\$ 1,282,968	\$ 957,696	\$ 36,931	\$ 375,249	\$ 172,936
NET ASSETS								
Capital paid in (shares authorized — unlimited)	\$ 467,243	\$ 503,352	\$ 28,211	\$ 1,282,967	\$ 984,296	\$ 38,637	\$ 395,817	\$ 166,663
Undistributed net investment income	5,642	3,127	13	—	3,382	229	28	1,590
Accumulated net realized gain (loss)	10,763	(1,090)	(126)	1	(7,998)	(424)	(7,365)	(1,130)
Net unrealized appreciation (depreciation)	27,676	(6,332)	(57)	—	(21,984)	(1,511)	(13,231)	5,813
Total Net Assets	\$ 511,324	\$ 499,057	\$ 28,041	\$ 1,282,968	\$ 957,696	\$ 36,931	\$ 375,249	\$ 172,936
CAPITAL SHARES OUTSTANDING:								
Class A	11,837	11,773	1,356	1,281,575	60,354	1,210	13,506	1,431
Class B	N/A	N/A	N/A	615	127	N/A	62	N/A
Class C	1,414	628	176	777	682	N/A	164	166
Class E	N/A	N/A	N/A	N/A	40	50	46	N/A
Class I	32,033	31,450	1,151	N/A	90,524	2,368	23,648	5,379
Class N	341	5,344	N/A	N/A	7,365	50	34,275	6,697
Class R	N/A	N/A	N/A	N/A	40	50	46	N/A
Class Y	556	825	126	N/A	40	105	46	369
NET ASSET VALUE PER SHARE:								
Class A	\$11.07	\$9.97	\$9.98	\$1.00	\$6.02	\$9.64	\$5.23	\$12.28
Class B	N/A	N/A	N/A	\$1.00	\$6.01	N/A	\$5.23	N/A
Class C	\$11.07	\$9.97	\$9.98	\$1.00	\$6.01	N/A	\$5.23	\$12.14
Class E	N/A	N/A	N/A	N/A	\$6.01	\$9.64	\$5.23	N/A
Class I	\$11.07	\$9.98	\$9.98	N/A	\$6.02	\$9.64	\$5.23	\$12.33
Class N	\$11.08	\$9.98	N/A	N/A	\$6.01	\$9.64	\$5.23	\$12.32
Class R	N/A	N/A	N/A	N/A	\$6.01	\$9.63	\$5.23	N/A
Class Y	\$11.07	\$9.97	\$9.98	N/A	\$6.01	\$9.64	\$5.23	\$12.28
+COST								
Investments in unaffiliated securities at cost	\$ 493,823	\$ 510,348	\$ 28,334	\$ 1,286,103	\$ 972,959	\$ 37,074	\$ 387,017	\$ 168,740
Cash denominated in foreign currencies at cost	4,158	1,308	—	—	—	—	—	1,905
^Securities loaned at value	13,855	9,781	—	—	334	214	—	2,874

*Not shown due to rounding.

(1)Effective April 30, 2018, the Fund's name changed from Ivy Bond Fund to Ivy Corporate Bond Fund.

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

IVY FUNDS

AS OF SEPTEMBER 30, 2018

	Ivy Pictet Emerging Markets Local Currency Debt Fund	Ivy Pictet Targeted Return Bond Fund	Ivy PineBridge High Yield Fund
(In thousands, except per share amounts)			
ASSETS			
Investments in unaffiliated securities at value+^	\$ 137,626	\$ 230,628	\$ 87,307
Investments at Value	137,626	230,628	87,307
Cash	1,230	25	1
Cash denominated in foreign currencies at value+	431	9,211	—
Restricted cash	998	1,173	—
Investment securities sold receivable	2,541	853	370
Dividends and interest receivable	1,790	2,523	1,363
Capital shares sold receivable	62	257	174
Receivable from affiliates	187	211	67
Unrealized appreciation on forward foreign currency contracts	948	1,012	—
Swap agreements, at value	276	—	—
Receivable from securities lending income — net	—*	—	3
Variation margin receivable	1	64	—
Prepaid and other assets	37	27	30
Total Assets	146,127	245,984	89,315
LIABILITIES			
Cash collateral on securities loaned at value	832	—	1,260
Investment securities purchased payable	264	1,979	973
Capital shares redeemed payable	367	615	76
Independent Trustees and Chief Compliance Officer fees payable	2	4	1
Distribution and service fees payable	1	1	—*
Shareholder servicing payable	16	22	8
Investment management fee payable	9	18	4
Accounting services fee payable	6	8	4
Unrealized depreciation on forward foreign currency contracts	2,544	776	—
Swap agreements, at value	116	374	—
Variation margin payable	11	387	—
Written options at value+	—	1,209	—
Other liabilities	59	63	8
Total Liabilities	4,227	5,456	2,334
Commitments and Contingencies (see Note 2 and Note 11)			
Total Net Assets	\$141,900	\$240,528	\$86,981
NET ASSETS			
Capital paid in (shares authorized — unlimited)	\$ 158,705	\$ 239,489	\$ 88,450
Undistributed (distributions in excess of) net investment income	(3,136)	6,666	356
Accumulated net realized loss	(2,462)	(2,136)	(465)
Net unrealized depreciation	(11,207)	(3,491)	(1,360)
Total Net Assets	\$141,900	\$240,528	\$86,981
CAPITAL SHARES OUTSTANDING:			
Class A	1,452	2,047	803
Class C	236	408	N/A
Class E	200	N/A	N/A
Class I	9,681	12,301	4,722
Class N	5,063	8,803	3,295
Class R	200	N/A	50
Class Y	330	350	N/A
NET ASSET VALUE PER SHARE:			
Class A	\$8.22	\$10.02	\$9.81
Class C	\$8.06	\$9.91	N/A
Class E	\$8.23	N/A	N/A
Class I	\$8.28	\$10.06	\$9.81
Class N	\$8.28	\$10.08	\$9.80
Class R	\$8.16	N/A	\$9.81
Class Y	\$8.22	\$10.02	N/A
+COST			
Investments in unaffiliated securities at cost	\$ 147,391	\$ 236,001	\$ 88,667
Cash denominated in foreign currencies at cost	429	9,212	—
Written options premiums received at cost	—	1,541	—
^Securities loaned at value	732	—	1,232

* Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

IVY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

(In thousands)	Ivy Apollo Multi- Asset Income Fund	Ivy Apollo Strategic Income Fund	Ivy California Municipal High Income Fund	Ivy Cash Management Fund	Ivy Corporate Bond Fund ⁽¹⁾	Ivy Crossover Credit Fund	Ivy Government Securities Fund	Ivy IG International Small Cap Fund
INVESTMENT INCOME								
Dividends from unaffiliated securities	\$ 10,266	\$ 478	\$ —	\$ —	\$ 22	\$ —	\$ —	\$ 3,631
Foreign dividend withholding tax	(548)	—	—	—	—	—	—	(267)
Interest and amortization from unaffiliated securities	17,468	26,415	804	24,221	36,046	1,494	8,939	43
Securities lending income — net	60	32	—	—	2	—*	—*	18
Total Investment Income	27,246	26,925	804	24,221	36,070	1,494	8,939	3,425
EXPENSES								
Investment management fee	3,810	3,463	127	4,575	4,944	188	1,984	1,442
Distribution and service fees:								
Class A	348	300	27	—	993	30	195	41
Class B	N/A	N/A	N/A	6	11	N/A	4	N/A
Class C	176	73	16	14	57	N/A	15	18
Class E	N/A	N/A	N/A	N/A	1	1	1	N/A
Class R	N/A	N/A	N/A	N/A	1	3	1	N/A
Class Y	13	22	3	N/A	1	3	—*	8
Shareholder servicing:								
Class A	276	174	4	4,672	978	6	219	18
Class B	N/A	N/A	N/A	1	11	N/A	4	N/A
Class C	33	18	1	4	23	N/A	8	2
Class E	N/A	N/A	N/A	N/A	—*	—*	—*	N/A
Class I	632	522	16	N/A	996	36	250	82
Class N	—*	6	N/A	N/A	6	—*	17	7
Class R	N/A	N/A	N/A	N/A	1	1	1	N/A
Class Y	8	14	2	N/A	—*	2	—*	5
Registration fees	102	103	60	190	94	63	75	70
Custodian fees	51	42	4	21	21	4	15	43
Independent Trustees and Chief Compliance Officer fees	24	22	1	110	106	1	36	6
Accounting services fee	152	142	16	255	271	30	138	64
Professional fees	52	51	23	41	45	30	23	28
Other	123	91	20	317	260	20	179	39
Total Expenses	5,800	5,043	320	10,206	8,820	418	3,165	1,873
Less:								
Expenses in excess of limit	(98)	(399)	(139)	(2)	(2)	(136)	(155)	(168)
Total Net Expenses	5,702	4,644	181	10,204	8,818	282	3,010	1,705
Net Investment Income	21,544	22,281	623	14,017	27,252	1,212	5,929	1,720
REALIZED AND UNREALIZED GAIN (LOSS)								
Net realized gain (loss) on:								
Investments in unaffiliated securities	13,335	(111)	(125)	67	(5,916)	(387)	(2,732)	(931)
Forward foreign currency contracts	341	567	—	—	—	—	—	—
Foreign currency exchange transactions	(282)	(125)	—	—	—	—	—	(105)
Net change in unrealized appreciation (depreciation) on:								
Investments in unaffiliated securities	(10,567)	(14,017)	(303)	—	(39,185)	(1,824)	(11,801)	(306)
Forward foreign currency contracts	445	197	—	—	—	—	—	—
Foreign currency exchange transactions	10	27	—	—	—	—	—	(26)
Net Realized and Unrealized Gain (Loss)	3,282	(13,462)	(428)	67	(45,101)	(2,211)	(14,533)	(1,368)
Net Increase (Decrease) in Net Assets Resulting from Operations	\$24,826	\$ 8,819	\$ 195	\$14,084	\$(17,849)	\$ (999)	\$ (8,604)	\$ 352

*Not shown due to rounding.

(1)Effective April 30, 2018, the Fund's name changed from Ivy Bond Fund to Ivy Corporate Bond Fund.

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

IVY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

(In thousands)	Ivy Pictet Emerging Markets Local Currency Debt Fund	Ivy Pictet Targeted Return Bond Fund	Ivy PineBridge High Yield Fund
INVESTMENT INCOME			
Interest and amortization from unaffiliated securities	\$ 7,319	\$ 7,182	\$4,659
Foreign interest withholding tax	(94)	—*	—
Securities lending income — net	—*	—	5
Total Investment Income	7,225	7,182	4,664
EXPENSES			
Investment management fee	969	2,366	499
Distribution and service fees:			
Class A	36	51	19
Class C	21	39	N/A
Class E	5	N/A	N/A
Class R	9	N/A	2
Class Y	8	9	N/A
Shareholder servicing:			
Class A	22	20	3
Class C	1	2	N/A
Class E	—*	N/A	N/A
Class I	108	202	66
Class N	5	13	3
Class R	4	N/A	1
Class Y	5	5	N/A
Registration fees	95	89	48
Custodian fees	130	70	9
Independent Trustees and Chief Compliance Officer fees	6	12	3
Accounting services fee	69	99	46
Professional fees	43	41	33
Other	45	64	20
Total Expenses	1,581	3,082	752
Less:			
Expenses in excess of limit	(433)	(512)	(153)
Total Net Expenses	1,148	2,570	599
Net Investment Income	6,077	4,612	4,065
REALIZED AND UNREALIZED GAIN (LOSS)			
Net realized gain (loss) on:			
Investments in unaffiliated securities	(7,171)	(3,491)	(414)
Futures contracts	12	1,761	—
Written options	4	501	—
Swap agreements	207	194	—
Forward foreign currency contracts	(327)	5,171	—
Foreign currency exchange transactions	(547)	3,047	—
Net change in unrealized appreciation (depreciation) on:			
Investments in unaffiliated securities	(11,560)	(11,167)	(1,927)
Futures contracts	5	13	—
Written options	—	456	—
Swap agreements	141	127	—
Forward foreign currency contracts	(1,577)	(1,343)	—
Foreign currency exchange transactions	(7)	—*	—
Net Realized and Unrealized Loss	(20,820)	(4,731)	(2,341)
Net Increase (Decrease) in Net Assets Resulting from Operations	\$ (14,743)	\$ (119)	\$ 1,724

* Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

IVY FUNDS

	Ivy Apollo Multi-Asset Income Fund		Ivy Apollo Strategic Income Fund		Ivy California Municipal High Income Fund	
	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Period from 10-3-16 (commencement of operations) to 9-30-17
(In thousands)						
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 21,544	\$ 19,938	\$ 22,281	\$ 17,768	\$ 623	\$ 341
Net realized gain (loss) on investments	13,394	102	331	2,202	(125)	30
Net change in unrealized appreciation (depreciation)	(10,112)	28,525	(13,793)	514	(303)	246
Net Increase in Net Assets Resulting from Operations	24,826	48,565	8,819	20,484	195	617
Distributions to Shareholders From:						
Net investment income:						
Class A	(5,179)	(3,776)	(4,727)	(4,340)	(273)	(173)
Class C	(543)	(394)	(238)	(262)	(26)	(22)
Class I	(15,238)	(11,668)	(13,474)	(10,920)	(284)	(121)
Class N	(139)	(128)	(2,464)	(1,186)	N/A	N/A
Class Y	(205)	(138)	(345)	(291)	(32)	(25)
Net realized gains:						
Class A	(166)	(175)	(650)	(451)	(14)	—
Class C	(23)	(23)	(43)	(38)	(2)	—
Class I	(463)	(464)	(1,752)	(907)	(13)	—
Class N	(4)	(6)	(317)	(25)	N/A	N/A
Class Y	(6)	(7)	(48)	(28)	(2)	—
Total Distributions to Shareholders	(21,966)	(16,779)	(24,058)	(18,448)	(646)	(341)
Capital Share Transactions	(64,566)	170,006	(6,566)	219,931	10,394	17,822
Net Increase (Decrease) in Net Assets	(61,706)	201,792	(21,805)	221,967	9,943	18,098
Net Assets, Beginning of Period	573,030	371,238	520,862	298,895	18,098	—
Net Assets, End of Period	\$ 511,324	\$573,030	\$499,057	\$520,862	\$28,041	\$18,098
Undistributed net investment income	\$ 5,642	\$ 5,415	\$ 3,127	\$ 1,723	\$ 13	\$ 5

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

IVY FUNDS

	Ivy Cash Management Fund		Ivy Corporate Bond Fund ⁽¹⁾		Ivy Crossover Credit Fund	
	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Period from 4-3-17 (commencement of operations) to 9-30-17
(In thousands)						
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 14,017	\$ 3,799	\$ 27,252	\$ 27,143	\$ 1,212	\$ 396
Net realized gain (loss) on investments	67	76	(5,916)	1,678	(387)	289
Net change in unrealized appreciation (depreciation)	—	—	(39,185)	(24,552)	(1,824)	313
Net Increase (Decrease) in Net Assets Resulting from Operations	14,084	3,875	(17,849)	4,269	(999)	998
Distributions to Shareholders From:						
Net investment income:						
Class A	(14,011)	(3,798)	(9,308)	(10,827)	(336)	(106)
Class B	(3)	—	(10)	(18)	N/A	N/A
Class C	(3)	(1)	(86)	(133)	N/A	N/A
Class E	N/A	N/A	(6)	N/A	(14)	(5)
Class I	N/A	N/A	(15,488)	(18,586)	(684)	(173)
Class N	N/A	N/A	(1,556)	N/A	(15)	(6)
Class R	N/A	N/A	(5)	N/A	(11)	(4)
Class Y	N/A	N/A	(5)	N/A	(28)	(11)
Net realized gains:						
Class A	—	—	—	(8,922)	(113)	—
Class B	—	—	—	(41)	N/A	N/A
Class C	—	—	—	(172)	N/A	N/A
Class E	N/A	N/A	—	N/A	(5)	—
Class I	N/A	N/A	—	(13,185)	(191)	—
Class N	N/A	N/A	—	N/A	(4)	—
Class R	N/A	N/A	—	N/A	(4)	—
Class Y	N/A	N/A	—	N/A	(10)	—
Total Distributions to Shareholders	(14,017)	(3,799)	(26,464)	(51,884)	(1,415)	(305)
Capital Share Transactions	(98,043)	(24,116)	(116,224)	(118,457)	6,837	31,815
Net Increase (Decrease) in Net Assets	(97,976)	(24,040)	(160,537)	(166,072)	4,423	32,508
Net Assets, Beginning of Period	1,380,944	1,404,984	1,118,233	1,284,305	32,508	—
Net Assets, End of Period	\$1,282,968	\$1,380,944	\$ 957,696	\$ 1,118,233	\$ 36,931	\$32,508
Undistributed net investment income	\$ —	\$ —	\$ 3,382	\$ 2,092	\$ 229	\$ 102

(1)Effective April 30, 2018, the Fund's name changed from Ivy Bond Fund to Ivy Corporate Bond Fund.

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

IVY FUNDS

	Ivy Government Securities Fund		Ivy IG International Small Cap Fund		Ivy Pictet Emerging Markets Local Currency Debt Fund	
	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Period from 1-10-17 (commencement of operations) to 9-30-17	Year ended 9-30-18	Year ended 9-30-17
(In thousands)						
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 5,929	\$ 3,451	\$ 1,720	\$ 310	\$ 6,077	\$ 3,683
Net realized loss on investments	(2,732)	(902)	(1,036)	(69)	(7,822)	(2,116)
Net change in unrealized appreciation (depreciation)	(11,801)	(7,674)	(332)	6,145	(12,998)	2,359
Net Increase (Decrease) in Net Assets Resulting from Operations	(8,604)	(5,125)	352	6,386	(14,743)	3,926
Distributions to Shareholders From:						
Net investment income:						
Class A	(1,069)	(1,312)	(22)	—	(331)	—
Class B	(1)	(2)	N/A	N/A	N/A	N/A
Class C	(7)	(14)	—	—	(39)	—
Class E	(4)	N/A	N/A	N/A	(50)	—
Class I	(2,342)	(2,708)	(99)	—	(1,455)	—
Class N	(3,146)	N/A	(314)	—	(1,499)	—
Class R	(3)	N/A	N/A	N/A	(43)	—
Class Y	(3)	N/A	(3)	—	(82)	—
Net realized gains:						
Class A	—	—	—	—	—	—
Class B	—	—	N/A	N/A	N/A	N/A
Class C	—	—	—	—	—	—
Class E	—	N/A	N/A	N/A	—	—
Class I	—	—	(12)	—	—	—
Class N	—	N/A	(32)	—	—	—
Class R	—	N/A	N/A	N/A	—	—
Class Y	—	N/A	—	—	—	—
Total Distributions to Shareholders	(6,575)	(4,036)	(482)	—	(3,499)	—
Capital Share Transactions	(2,145)	122,385	130,194	36,486	41,031	65,162
Net Increase (Decrease) in Net Assets	(17,324)	113,224	130,064	42,872	22,789	69,088
Net Assets, Beginning of Period	392,573	279,349	42,872	—	119,111	50,023
Net Assets, End of Period	\$375,249	\$392,573	\$172,936	\$42,872	\$141,900	\$ 119,111
Undistributed (distributions in excess of) net investment income	\$ 28	\$ —	\$ 1,590	\$ 342	\$ (3,136)	\$ 661

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

IVY FUNDS

(In thousands)	Ivy Pictet Targeted Return Bond Fund		Ivy PineBridge High Yield Fund	
	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Period from 5-18-17 (commencement of operations) to 9-30-17
INCREASE (DECREASE) IN NET ASSETS				
Operations:				
Net investment income	\$ 4,612	\$ 2,456	\$ 4,065	\$ 1,189
Net realized gain (loss) on investments	7,183	(5,366)	(414)	179
Net change in unrealized appreciation (depreciation)	(11,914)	6,956	(1,927)	567
Net Increase (Decrease) in Net Assets Resulting from Operations	(119)	4,046	1,724	1,935
Distributions to Shareholders From:				
Net investment income:				
Class A	(134)	(241)	(369)	(65)
Class C	(22)	(25)	N/A	N/A
Class I	(817)	(1,272)	(1,911)	(225)
Class N	(1,116)	(34)	(1,776)	(532)
Class R	N/A	N/A	(22)	(5)
Class Y	(24)	(46)	N/A	N/A
Net realized gains:				
Class A	—	(178)	(23)	—
Class C	—	(35)	N/A	N/A
Class I	—	(794)	(96)	—
Class N	—	(20)	(110)	—
Class R	N/A	N/A	(1)	—
Class Y	—	(32)	N/A	N/A
Total Distributions to Shareholders	(2,113)	(2,677)	(4,308)	(827)
Capital Share Transactions	(51,077)	189,708	26,039	62,418
Net Increase (Decrease) in Net Assets	(53,309)	191,077	23,455	63,526
Net Assets, Beginning of Period	293,837	102,760	63,526	—
Net Assets, End of Period	\$240,528	\$293,837	\$ 86,981	\$63,526
Undistributed (distributions in excess of) net investment income	\$ 6,666	\$ (3,916)	\$ 356	\$ 367

See Accompanying Notes to Financial Statements.

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FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY APOLLO MULTI-ASSET 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 9-30-2018	\$ 11.02	\$0.42	\$0.05	\$ 0.47	\$ (0.41)	\$ (0.01)	\$(0.42)
Year ended 9-30-2017	10.45	0.39	0.50	0.89	(0.30)	(0.02)	(0.32)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.37	0.31	0.68	(0.23)	—*	(0.23)
Class C Shares							
Year ended 9-30-2018	11.02	0.33	0.06	0.39	(0.33)	(0.01)	(0.34)
Year ended 9-30-2017	10.46	0.31	0.50	0.81	(0.23)	(0.02)	(0.25)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.28	0.33	0.61	(0.15)	—*	(0.15)
Class I Shares							
Year ended 9-30-2018	11.02	0.45	0.06	0.51	(0.45)	(0.01)	(0.46)
Year ended 9-30-2017	10.46	0.41	0.51	0.92	(0.34)	(0.02)	(0.36)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.39	0.32	0.71	(0.25)	—*	(0.25)
Class N Shares							
Year ended 9-30-2018	11.03	0.47	0.05	0.52	(0.46)	(0.01)	(0.47)
Year ended 9-30-2017	10.46	0.43	0.52	0.95	(0.36)	(0.02)	(0.38)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.38	0.33	0.71	(0.25)	—*	(0.25)
Class Y Shares							
Year ended 9-30-2018	11.02	0.42	0.06	0.48	(0.42)	(0.01)	(0.43)
Year ended 9-30-2017	10.45	0.39	0.51	0.90	(0.31)	(0.02)	(0.33)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.34	0.34	0.68	(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 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, 2015 (commencement of operations of the class) through September 30, 2016.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2016.

(7) Ratio of expenses to average net assets excluding offering cost was 1.25%.

(8) Ratio of expenses to average net assets excluding offering cost was 2.01%.

(9) Ratio of expenses to average net assets excluding offering cost was 0.93%.

(10) Ratio of expenses to average net assets excluding offering cost was 0.89%.

(11) Ratio of expenses to average net assets excluding offering cost was 1.20%.

	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 9-30-2018	\$ 11.07	4.41%	\$ 131	1.24%	3.77%	1.24%	3.77%	59%
Year ended 9-30-2017	11.02	8.67	143	1.24	3.64	—	—	84
Year ended 9-30-2016 ⁽⁴⁾	10.45	6.85	95	1.30 ⁽⁵⁾⁽⁷⁾	3.69 ⁽⁵⁾	1.41 ⁽⁵⁾	3.58 ⁽⁵⁾	63 ⁽⁶⁾
Class C Shares								
Year ended 9-30-2018	11.07	3.64	16	1.98	3.01	1.98	3.01	59
Year ended 9-30-2017	11.02	7.86	20	1.97	2.87	—	—	84
Year ended 9-30-2016 ⁽⁴⁾	10.46	6.14	14	2.06 ⁽⁵⁾⁽⁸⁾	2.78 ⁽⁵⁾	—	—	63 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	11.07	4.71	354	0.93	4.07	0.96	4.04	59
Year ended 9-30-2017	11.02	8.92	401	0.95	3.88	—	—	84
Year ended 9-30-2016 ⁽⁴⁾	10.46	7.25	255	0.98 ⁽⁵⁾⁽⁹⁾	3.80 ⁽⁵⁾	—	—	63 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	11.08	4.96	4	0.79	4.23	0.80	4.22	59
Year ended 9-30-2017	11.03	9.12	4	0.78	4.09	—	—	84
Year ended 9-30-2016 ⁽⁴⁾	10.46	7.26	3	0.94 ⁽⁵⁾⁽¹⁰⁾	3.73 ⁽⁵⁾	—	—	63 ⁽⁶⁾
Class Y Shares								
Year ended 9-30-2018	11.07	4.45	6	1.19	3.82	1.19	3.82	59
Year ended 9-30-2017	11.02	8.75	5	1.17	3.69	—	—	84
Year ended 9-30-2016 ⁽⁴⁾	10.45	6.90	4	1.25 ⁽⁵⁾⁽¹¹⁾	3.31 ⁽⁵⁾	1.33 ⁽⁵⁾	3.23 ⁽⁵⁾	63 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY APOLLO STRATEGIC 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 9-30-2018	\$10.27	\$0.42	\$(0.27)	\$ 0.15	\$(0.40)	\$(0.05)	\$(0.45)
Year ended 9-30-2017	10.26	0.39	0.04	0.43	(0.38)	(0.04)	(0.42)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.34	0.18	0.52	(0.26)	—	(0.26)
Class C Shares							
Year ended 9-30-2018	10.27	0.35	(0.27)	0.08	(0.33)	(0.05)	(0.38)
Year ended 9-30-2017	10.26	0.32	0.04	0.36	(0.31)	(0.04)	(0.35)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.27	0.19	0.46	(0.20)	—	(0.20)
Class I Shares							
Year ended 9-30-2018	10.28	0.45	(0.27)	0.18	(0.43)	(0.05)	(0.48)
Year ended 9-30-2017	10.27	0.42	0.05	0.47	(0.42)	(0.04)	(0.46)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.39	0.17	0.56	(0.29)	—	(0.29)
Class N Shares							
Year ended 9-30-2018	10.28	0.46	(0.27)	0.19	(0.44)	(0.05)	(0.49)
Year ended 9-30-2017	10.27	0.43	0.04	0.47	(0.42)	(0.04)	(0.46)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.34	0.22	0.56	(0.29)	—	(0.29)
Class Y Shares							
Year ended 9-30-2018	10.27	0.42	(0.27)	0.15	(0.40)	(0.05)	(0.45)
Year ended 9-30-2017	10.26	0.40	0.04	0.44	(0.39)	(0.04)	(0.43)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.33	0.20	0.53	(0.27)	—	(0.27)

(1) Based on average weekly shares outstanding.

(2) Based on net asset value, which does not reflect the sales charge 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, 2015 (commencement of operations of the class) through September 30, 2016.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2016.

(7) Ratio of expenses to average net assets excluding offering cost was 1.10%.

(8) Ratio of expenses to average net assets excluding offering cost was 1.79%.

(9) Ratio of expenses to average net assets excluding offering cost was 0.80%.

(10) Ratio of expenses to average net assets excluding offering cost was 0.79%.

(11) Ratio of expenses to average net assets excluding offering cost was 1.05%.

	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 9-30-2018	\$ 9.97	1.53%	\$ 117	1.15%	4.14%	1.16%	4.13%	48%
Year ended 9-30-2017	10.27	4.38	123	1.15	3.83	1.17	3.81	48
Year ended 9-30-2016 ⁽⁴⁾	10.26	5.35	95	1.15 ⁽⁵⁾⁽⁷⁾	3.36 ⁽⁵⁾	1.26 ⁽⁵⁾	3.25 ⁽⁵⁾	42 ⁽⁶⁾
Class C Shares								
Year ended 9-30-2018	9.97	0.82	6	1.85	3.43	2.02	3.26	48
Year ended 9-30-2017	10.27	3.66	8	1.85	3.13	1.98	3.00	48
Year ended 9-30-2016 ⁽⁴⁾	10.26	4.66	8	1.84 ⁽⁵⁾⁽⁸⁾	2.71 ⁽⁵⁾	1.96 ⁽⁵⁾	2.59 ⁽⁵⁾	42 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	9.98	1.95	315	0.82	4.46	0.93	4.35	48
Year ended 9-30-2017	10.28	4.59	320	0.85	4.13	0.94	4.04	48
Year ended 9-30-2016 ⁽⁴⁾	10.27	5.75	184	0.85 ⁽⁵⁾⁽⁹⁾	3.91 ⁽⁵⁾	0.98 ⁽⁵⁾	3.78 ⁽⁵⁾	42 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	9.98	1.92	53	0.77	4.52	0.78	4.51	48
Year ended 9-30-2017	10.28	4.75	61	0.77	4.24	—	—	48
Year ended 9-30-2016 ⁽⁴⁾	10.27	5.75	6	0.84 ⁽⁵⁾⁽¹⁰⁾	3.44 ⁽⁵⁾	—	—	42 ⁽⁶⁾
Class Y Shares								
Year ended 9-30-2018	9.97	1.58	8	1.10	4.18	1.17	4.11	48
Year ended 9-30-2017	10.27	4.44	9	1.10	3.89	1.19	3.80	48
Year ended 9-30-2016 ⁽⁴⁾	10.26	5.39	6	1.10 ⁽⁵⁾⁽¹¹⁾	3.31 ⁽⁵⁾	1.23 ⁽⁵⁾	3.18 ⁽⁵⁾	42 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY CALIFORNIA 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 9-30-2018	\$ 10.16	\$0.26	\$(0.16)	\$ 0.10	\$(0.26)	\$(0.02)	\$(0.28)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.26	0.14	0.40	(0.24)	—	(0.24)
Class C Shares							
Year ended 9-30-2018	10.16	0.17	(0.17)	0.00*	(0.16)	(0.02)	(0.18)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.19	0.16	0.35	(0.19)	—	(0.19)
Class I Shares							
Year ended 9-30-2018	10.16	0.28	(0.16)	0.12	(0.28)	(0.02)	(0.30)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.28	0.13	0.41	(0.25)	—	(0.25)
Class Y Shares							
Year ended 9-30-2018	10.16	0.25	(0.15)	0.10	(0.26)	(0.02)	(0.28)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.25	0.15	0.40	(0.24)	—	(0.24)

* 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 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 3, 2016 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$9.98	0.89%	\$14	0.78%	2.56%	1.32%	2.02%	10%
Year ended 9-30-2017 ⁽⁴⁾	10.16	4.17	8	0.60 ⁽⁵⁾	2.62 ⁽⁵⁾	1.12 ⁽⁵⁾	2.10 ⁽⁵⁾	7 ⁽⁶⁾
Class C Shares								
Year ended 9-30-2018	9.98	-0.07	2	1.63	1.70	2.08	1.25	10
Year ended 9-30-2017 ⁽⁴⁾	10.16	3.53	2	1.33 ⁽⁵⁾	1.88 ⁽⁵⁾	1.85 ⁽⁵⁾	1.36 ⁽⁵⁾	7 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	9.98	1.10	11	0.58	2.74	1.20	2.12	10
Year ended 9-30-2017 ⁽⁴⁾	10.16	4.31	7	0.43 ⁽⁵⁾	2.87 ⁽⁵⁾	0.95 ⁽⁵⁾	2.35 ⁽⁵⁾	7 ⁽⁶⁾
Class Y Shares								
Year ended 9-30-2018	9.98	0.93	1	0.78	2.56	1.44	1.90	10
Year ended 9-30-2017 ⁽⁴⁾	10.16	4.09	1	0.60 ⁽⁵⁾	2.54 ⁽⁵⁾	1.23 ⁽⁵⁾	1.91 ⁽⁵⁾	7 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY CASH MANAGEMENT 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 9-30-2018	\$1.00	\$ 0.01	\$0.00*	\$ 0.01	\$(0.01)	\$—	\$(0.01)
Year ended 9-30-2017	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2016	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2015	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2014	1.00	0.00*	0.00*	0.00*	—*	—	—*
Class B Shares⁽⁴⁾							
Year ended 9-30-2018	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2017	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2016	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2015	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2014	1.00	0.00*	0.00*	0.00*	—*	—	—*
Class C Shares⁽⁴⁾							
Year ended 9-30-2018	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2017	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2016	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2015	1.00	0.00*	0.00*	0.00*	—*	—	—*
Year ended 9-30-2014	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 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.

	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 9-30-2018	\$1.00	1.11%	\$ 1,281	0.75%	1.03%	—%	—%
Year ended 9-30-2017	1.00	0.27	1,378	0.74	0.27	0.75	0.26
Year ended 9-30-2016	1.00	0.02	1,401	0.49	0.02	0.79	-0.28
Year ended 9-30-2015	1.00	0.02	1,350	0.19	0.02	0.80	-0.59
Year ended 9-30-2014	1.00	0.02	1,271	0.17	0.02	0.79	-0.60
Class B Shares⁽⁴⁾							
Year ended 9-30-2018	1.00	0.27	1	1.60	0.21	1.65	0.16
Year ended 9-30-2017	1.00	0.02	1	0.96	0.02	1.61	-0.63
Year ended 9-30-2016	1.00	0.02	1	0.49	0.02	1.73	-1.22
Year ended 9-30-2015	1.00	0.02	1	0.19	0.02	1.79	-1.58
Year ended 9-30-2014	1.00	0.02	1	0.17	0.02	1.99	-1.80
Class C Shares⁽⁴⁾							
Year ended 9-30-2018	1.00	0.24	1	1.55	0.08	1.68	-0.05
Year ended 9-30-2017	1.00	0.02	2	0.98	0.02	1.61	-0.61
Year ended 9-30-2016	1.00	0.02	3	0.46	0.02	1.62	-1.14
Year ended 9-30-2015	1.00	0.02	5	0.18	0.02	1.59	-1.39
Year ended 9-30-2014	1.00	0.02	5	0.17	0.02	1.59	-1.40

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY CORPORATE 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 9-30-2018	\$ 6.27	\$ 0.15	\$(0.26)	\$ (0.11)	\$ (0.14)	\$ —	\$ (0.14)
Year ended 9-30-2017	6.51	0.13	(0.12)	0.01	(0.14)	(0.11)	(0.25)
Year ended 9-30-2016	6.30	0.13	0.28	0.41	(0.13)	(0.07)	(0.20)
Year ended 9-30-2015	6.34	0.13	(0.03)	0.10	(0.14)	—	(0.14)
Year ended 9-30-2014	6.33	0.16	0.03	0.19	(0.18)	—	(0.18)
Class B Shares⁽⁴⁾							
Year ended 9-30-2018	6.26	0.05	(0.25)	(0.20)	(0.05)	—	(0.05)
Year ended 9-30-2017	6.51	0.04	(0.12)	(0.08)	(0.06)	(0.11)	(0.17)
Year ended 9-30-2016	6.29	0.04	0.29	0.33	(0.04)	(0.07)	(0.11)
Year ended 9-30-2015	6.34	0.05	(0.04)	0.01	(0.06)	—	(0.06)
Year ended 9-30-2014	6.33	0.08	0.03	0.11	(0.10)	—	(0.10)
Class C Shares							
Year ended 9-30-2018	6.26	0.09	(0.25)	(0.16)	(0.09)	—	(0.09)
Year ended 9-30-2017	6.50	0.08	(0.12)	(0.04)	(0.09)	(0.11)	(0.20)
Year ended 9-30-2016	6.29	0.07	0.28	0.35	(0.07)	(0.07)	(0.14)
Year ended 9-30-2015	6.34	0.07	(0.03)	0.04	(0.09)	—	(0.09)
Year ended 9-30-2014	6.33	0.10	0.03	0.13	(0.12)	—	(0.12)
Class E Shares							
Year ended 9-30-2018 ⁽⁵⁾	6.28	0.16	(0.29)	(0.13)	(0.14)	—	(0.14)
Class I Shares							
Year ended 9-30-2018	6.27	0.17	(0.26)	(0.09)	(0.16)	—	(0.16)
Year ended 9-30-2017	6.51	0.15	(0.12)	0.03	(0.16)	(0.11)	(0.27)
Year ended 9-30-2016	6.30	0.15	0.28	0.43	(0.15)	(0.07)	(0.22)
Year ended 9-30-2015	6.35	0.15	(0.04)	0.11	(0.16)	—	(0.16)
Year ended 9-30-2014	6.34	0.18	0.03	0.21	(0.20)	—	(0.20)
Class N Shares							
Year ended 9-30-2018 ⁽⁵⁾	6.28	0.17	(0.28)	(0.11)	(0.16)	—	(0.16)
Class R Shares							
Year ended 9-30-2018 ⁽⁵⁾	6.28	0.13	(0.28)	(0.15)	(0.12)	—	(0.12)
Class Y Shares							
Year ended 9-30-2018 ⁽⁵⁾	6.28	0.15	(0.29)	(0.14)	(0.13)	—	(0.13)

* 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 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.

(5) For the period from October 16, 2017 (commencement of operations of the class) through September 30, 2018.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2018.

	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 9-30-2018	\$6.02	-1.72%	\$ 364	1.05%	2.41%	1.05%	2.41%	29%
Year ended 9-30-2017	6.27	0.39	437	0.98	2.09	0.99	2.08	42
Year ended 9-30-2016	6.51	6.58	520	0.97	2.03	0.98	2.02	88
Year ended 9-30-2015	6.30	1.66	1,206	0.95	2.02	0.96	2.01	58
Year ended 9-30-2014	6.34	3.03	1,239	0.96	2.58	0.97	2.57	18
Class B Shares⁽⁴⁾								
Year ended 9-30-2018	6.01	-3.18	1	2.56	0.87	—	—	29
Year ended 9-30-2017	6.26	-1.50	1	2.39	0.68	—	—	42
Year ended 9-30-2016	6.51	5.31	2	2.31	0.68	—	—	88
Year ended 9-30-2015	6.29	0.21	3	2.26	0.73	—	—	58
Year ended 9-30-2014	6.34	1.70	4	2.25	1.30	—	—	18
Class C Shares								
Year ended 9-30-2018	6.01	-2.63	4	1.94	1.48	—	—	29
Year ended 9-30-2017	6.26	-0.46	8	1.85	1.22	—	—	42
Year ended 9-30-2016	6.50	5.65	10	1.85	1.14	—	—	88
Year ended 9-30-2015	6.29	0.56	10	1.87	1.11	—	—	58
Year ended 9-30-2014	6.34	2.08	11	1.89	1.65	—	—	18
Class E Shares								
Year ended 9-30-2018 ⁽⁵⁾	6.01	-2.01	—*	0.84 ⁽⁶⁾	2.78 ⁽⁶⁾	—	—	29 ⁽⁷⁾
Class I Shares								
Year ended 9-30-2018	6.02	-1.41	545	0.72	2.74	—	—	29
Year ended 9-30-2017	6.27	0.68	672	0.69	2.39	—	—	42
Year ended 9-30-2016	6.51	6.88	752	0.67	2.28	—	—	88
Year ended 9-30-2015	6.30	1.80	2	0.67	2.41	—	—	58
Year ended 9-30-2014	6.35	3.33	25	0.67	2.87	—	—	18
Class N Shares								
Year ended 9-30-2018 ⁽⁵⁾	6.01	-1.77	44	0.57 ⁽⁶⁾	3.06 ⁽⁶⁾	—	—	29 ⁽⁷⁾
Class R Shares								
Year ended 9-30-2018 ⁽⁵⁾	6.01	-2.43	—*	1.35 ⁽⁶⁾	2.27 ⁽⁶⁾	—	—	29 ⁽⁷⁾
Class Y Shares								
Year ended 9-30-2018 ⁽⁵⁾	6.01	-2.16	—*	1.00 ⁽⁶⁾	2.62 ⁽⁶⁾	—	—	29 ⁽⁷⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY CROSSOVER CREDIT 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 9-30-2018	\$10.26	\$0.30	\$(0.56)	\$(0.26)	\$(0.27)	\$(0.09)	\$(0.36)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.13	0.23	0.36	(0.10)	—	(0.10)
Class E Shares							
Year ended 9-30-2018	10.26	0.31	(0.57)	(0.26)	(0.27)	(0.09)	(0.36)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.13	0.23	0.36	(0.10)	—	(0.10)
Class I Shares							
Year ended 9-30-2018	10.26	0.33	(0.56)	(0.23)	(0.30)	(0.09)	(0.39)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.15	0.22	0.37	(0.11)	—	(0.11)
Class N Shares							
Year ended 9-30-2018	10.26	0.33	(0.56)	(0.23)	(0.30)	(0.09)	(0.39)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.15	0.22	0.37	(0.11)	—	(0.11)
Class R Shares							
Year ended 9-30-2018	10.25	0.25	(0.57)	(0.32)	(0.21)	(0.09)	(0.30)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.10	0.23	0.33	(0.08)	—	(0.08)
Class Y Shares							
Year ended 9-30-2018	10.26	0.30	(0.56)	(0.26)	(0.27)	(0.09)	(0.36)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.13	0.23	0.36	(0.10)	—	(0.10)

* 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 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 April 3, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$ 9.64	-2.56%	\$ 12	0.90%	3.07%	1.19%	2.78%	85%
Year ended 9-30-2017 ⁽⁴⁾	10.26	3.51	11	0.90 ⁽⁵⁾	2.63 ⁽⁵⁾	0.95 ⁽⁵⁾	2.58 ⁽⁵⁾	112 ⁽⁶⁾
Class E Shares								
Year ended 9-30-2018	9.64	-2.54	—*	0.87	3.09	1.11	2.85	85
Year ended 9-30-2017 ⁽⁴⁾	10.26	3.48	1	0.96 ⁽⁵⁾	2.56 ⁽⁵⁾	1.00 ⁽⁵⁾	2.52 ⁽⁵⁾	112 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	9.64	-2.41	23	0.65	3.33	1.06	2.92	85
Year ended 9-30-2017 ⁽⁴⁾	10.26	3.72	18	0.65 ⁽⁵⁾	2.89 ⁽⁵⁾	0.83 ⁽⁵⁾	2.71 ⁽⁵⁾	112 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	9.64	-2.41	1	0.65	3.31	0.90	3.06	85
Year ended 9-30-2017 ⁽⁴⁾	10.26	3.72	1	0.65 ⁽⁵⁾	2.87 ⁽⁵⁾	0.69 ⁽⁵⁾	2.83 ⁽⁵⁾	112 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	9.63	-3.13	—*	1.45	2.51	1.69	2.27	85
Year ended 9-30-2017 ⁽⁴⁾	10.25	3.29	1	1.45 ⁽⁵⁾	2.07 ⁽⁵⁾	1.48 ⁽⁵⁾	2.04 ⁽⁵⁾	112 ⁽⁶⁾
Class Y Shares								
Year ended 9-30-2018	9.64	-2.56	1	0.90	3.06	1.29	2.67	85
Year ended 9-30-2017 ⁽⁴⁾	10.26	3.51	1	0.90 ⁽⁵⁾	2.63 ⁽⁵⁾	1.08 ⁽⁵⁾	2.45 ⁽⁵⁾	112 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY GOVERNMENT SECURITIES 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 9-30-2018	\$5.43	\$0.06	\$ (0.19)	\$ (0.13)	\$ (0.07)	\$—	\$ (0.07)
Year ended 9-30-2017	5.60	0.06	(0.16)	(0.10)	(0.07)	—	(0.07)
Year ended 9-30-2016	5.51	0.06	0.10	0.16	(0.07)	—	(0.07)
Year ended 9-30-2015	5.49	0.07	0.03	0.10	(0.08)	—	(0.08)
Year ended 9-30-2014	5.51	0.08	(0.01)	0.07	(0.09)	—	(0.09)
Class B Shares⁽⁴⁾							
Year ended 9-30-2018	5.43	0.01	(0.18)	(0.17)	(0.03)	—	(0.03)
Year ended 9-30-2017	5.60	0.00*	(0.16)	(0.16)	(0.01)	—	(0.01)
Year ended 9-30-2016	5.51	0.00*	0.10	0.10	(0.01)	—	(0.01)
Year ended 9-30-2015	5.49	0.00*	0.04	0.04	(0.02)	—	(0.02)
Year ended 9-30-2014	5.51	0.01	0.00	0.01	(0.03)	—	(0.03)
Class C Shares							
Year ended 9-30-2018	5.43	0.01	(0.18)	(0.17)	(0.03)	—	(0.03)
Year ended 9-30-2017	5.60	0.01	(0.15)	(0.14)	(0.03)	—	(0.03)
Year ended 9-30-2016	5.51	0.01	0.11	0.12	(0.03)	—	(0.03)
Year ended 9-30-2015	5.49	0.02	0.04	0.06	(0.04)	—	(0.04)
Year ended 9-30-2014	5.51	0.03	0.00	0.03	(0.05)	—	(0.05)
Class E Shares							
Year ended 9-30-2018 ⁽⁵⁾	5.43	0.07	(0.19)	(0.12)	(0.08)	—	(0.08)
Class I Shares							
Year ended 9-30-2018	5.43	0.08	(0.19)	(0.11)	(0.09)	—	(0.09)
Year ended 9-30-2017	5.60	0.07	(0.15)	(0.08)	(0.09)	—	(0.09)
Year ended 9-30-2016	5.51	0.07	0.11	0.18	(0.09)	—	(0.09)
Year ended 9-30-2015	5.49	0.08	0.04	0.12	(0.10)	—	(0.10)
Year ended 9-30-2014	5.51	0.10	(0.01)	0.09	(0.11)	—	(0.11)
Class N Shares							
Year ended 9-30-2018 ⁽⁵⁾	5.43	0.08	(0.19)	(0.11)	(0.09)	—	(0.09)
Class R Shares							
Year ended 9-30-2018 ⁽⁵⁾	5.43	0.05	(0.20)	(0.15)	(0.05)	—	(0.05)
Class Y Shares							
Year ended 9-30-2018 ⁽⁵⁾	5.43	0.06	(0.19)	(0.13)	(0.07)	—	(0.07)

* 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 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.

(5) For the period from October 16, 2017 (commencement of operations of the class) through September 30, 2018.

(6) Annualized.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2018.

(8) Expense ratio based on the period excluding reorganization expenses was 1.00%.

(9) Expense ratio based on the period excluding reorganization expenses was 0.72%.

	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 9-30-2018	\$5.23	-2.35%	\$ 71	1.04% ⁽⁸⁾	1.19%	1.16%	1.07%	42%
Year ended 9-30-2017	5.43	-1.73	87	1.02	1.20	1.10	1.04	37
Year ended 9-30-2016	5.60	3.01	118	1.01	1.11	1.07	1.05	43
Year ended 9-30-2015	5.51	1.88	244	1.01	1.18	1.07	1.12	63
Year ended 9-30-2014	5.49	1.35	249	1.02	1.45	1.06	1.41	3
Class B Shares⁽⁴⁾								
Year ended 9-30-2018	5.23	-3.22	—*	2.05	0.11	2.57	-0.41	42
Year ended 9-30-2017	5.43	-2.81	1	2.13	0.01	2.27	-0.13	37
Year ended 9-30-2016	5.60	1.83	1	2.17	-0.05	2.21	-0.09	43
Year ended 9-30-2015	5.51	0.68	1	2.20	-0.01	2.24	-0.05	63
Year ended 9-30-2014	5.49	0.13	2	2.23	0.24	2.27	0.20	3
Class C Shares								
Year ended 9-30-2018	5.23	-3.14	1	1.88	0.24	2.16	-0.04	42
Year ended 9-30-2017	5.43	-2.58	2	1.88	0.26	1.95	0.19	37
Year ended 9-30-2016	5.60	2.10	3	1.91	0.21	1.95	0.17	43
Year ended 9-30-2015	5.51	1.04	4	1.84	0.35	1.88	0.31	63
Year ended 9-30-2014	5.49	0.49	5	1.87	0.60	1.91	0.56	3
Class E Shares								
Year ended 9-30-2018 ⁽⁵⁾	5.23	-2.23	—*	0.90 ⁽⁶⁾	1.46 ⁽⁶⁾	—	—	42 ⁽⁷⁾
Class I Shares								
Year ended 9-30-2018	5.23	-2.10	124	0.78 ⁽⁹⁾	1.46	0.82	1.42	42
Year ended 9-30-2017	5.43	-1.44	303	0.74	1.38	0.76	1.36	37
Year ended 9-30-2016	5.60	3.33	157	0.70	1.33	0.74	1.29	43
Year ended 9-30-2015	5.51	2.20	2	0.70	1.50	0.74	1.46	63
Year ended 9-30-2014	5.49	1.67	2	0.69	1.78	0.73	1.74	3
Class N Shares								
Year ended 9-30-2018 ⁽⁵⁾	5.23	-1.99	179	0.63 ⁽⁶⁾	1.74 ⁽⁶⁾	—	—	42 ⁽⁷⁾
Class R Shares								
Year ended 9-30-2018 ⁽⁵⁾	5.23	-2.68	—*	1.41 ⁽⁶⁾	0.95 ⁽⁶⁾	—	—	42 ⁽⁷⁾
Class Y Shares								
Year ended 9-30-2018 ⁽⁵⁾	5.23	-2.41	—*	1.06 ⁽⁶⁾⁽⁸⁾	1.30 ⁽⁶⁾	1.09 ⁽⁶⁾	1.27 ⁽⁶⁾	42 ⁽⁷⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY IG INTERNATIONAL SMALL CAP 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 9-30-2018	\$12.06	\$ 0.10	\$ 0.14	\$ 0.24	\$(0.02)	\$—	\$(0.02)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	1.97	2.06	—	—	—
Class C Shares							
Year ended 9-30-2018	12.00	0.01	0.13	0.14	—	—	—
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.03	1.97	2.00	—	—	—
Class I Shares							
Year ended 9-30-2018	12.08	0.16	0.13	0.29	(0.04)	—*	(0.04)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.11	1.97	2.08	—	—	—
Class N Shares							
Year ended 9-30-2018	12.09	0.16	0.11	0.27	(0.04)	—*	(0.04)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.11	1.98	2.09	—	—	—
Class Y Shares							
Year ended 9-30-2018	12.06	0.14	0.10	0.24	(0.02)	—	(0.02)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	1.97	2.06	—	—	—

* 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 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 January 10, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$12.28	1.98%	\$ 18	1.45%	0.79%	1.54%	0.70%	60%
Year ended 9-30-2017 ⁽⁴⁾	12.06	20.60	13	1.45 ⁽⁵⁾	1.11 ⁽⁵⁾	1.61 ⁽⁵⁾	0.95 ⁽⁵⁾	38 ⁽⁶⁾
Class C Shares								
Year ended 9-30-2018	12.14	1.17	2	2.22	0.11	2.27	0.06	60
Year ended 9-30-2017 ⁽⁴⁾	12.00	20.00	1	2.17 ⁽⁵⁾	0.39 ⁽⁵⁾	2.33 ⁽⁵⁾	0.23 ⁽⁵⁾	38 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	12.33	2.33	66	1.12	1.28	1.34	1.06	60
Year ended 9-30-2017 ⁽⁴⁾	12.08	20.90	27	1.15 ⁽⁵⁾	1.42 ⁽⁵⁾	1.45 ⁽⁵⁾	1.12 ⁽⁵⁾	38 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	12.32	2.28	82	1.13	1.25	1.18	1.20	60
Year ended 9-30-2017 ⁽⁴⁾	12.09	20.90	1	1.15 ⁽⁵⁾	1.41 ⁽⁵⁾	1.31 ⁽⁵⁾	1.25 ⁽⁵⁾	38 ⁽⁶⁾
Class Y Shares								
Year ended 9-30-2018	12.28	1.98	5	1.45	1.10	1.59	0.96	60
Year ended 9-30-2017 ⁽⁴⁾	12.06	20.60	1	1.45 ⁽⁵⁾	1.11 ⁽⁵⁾	1.70 ⁽⁵⁾	0.86 ⁽⁵⁾	38 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PICTET EMERGING MARKETS LOCAL CURRENCY DEBT 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 9-30-2018	\$ 9.47	\$0.39	\$ (1.40)	\$ (1.01)	\$(0.24)	\$—	\$(0.24)
Year ended 9-30-2017	9.21	0.41	(0.15)	0.26	—	—	—
Year ended 9-30-2016	8.11	0.33	0.77	1.10	—	—	—
Year ended 9-30-2015	9.76	0.34	(1.83)	(1.49)	(0.16)	—*	(0.16)
Year ended 9-30-2014 ⁽⁴⁾	10.00	0.16	(0.40)	(0.24)	—	—	—
Class C Shares							
Year ended 9-30-2018	9.28	0.31	(1.37)	(1.06)	(0.16)	—	(0.16)
Year ended 9-30-2017	9.09	0.34	(0.15)	0.19	—	—	—
Year ended 9-30-2016	8.06	0.28	0.75	1.03	—	—	—
Year ended 9-30-2015	9.73	0.27	(1.83)	(1.56)	(0.11)	—*	(0.11)
Year ended 9-30-2014 ⁽⁴⁾	10.00	0.13	(0.40)	(0.27)	—	—	—
Class E Shares							
Year ended 9-30-2018	9.48	0.39	(1.39)	(1.00)	(0.25)	—	(0.25)
Year ended 9-30-2017	9.21	0.42	(0.15)	0.27	—	—	—
Year ended 9-30-2016	8.11	0.35	0.75	1.10	—	—	—
Year ended 9-30-2015	9.76	0.33	(1.82)	(1.49)	(0.16)	—*	(0.16)
Year ended 9-30-2014 ⁽⁴⁾	10.00	0.16	(0.40)	(0.24)	—	—	—
Class I Shares							
Year ended 9-30-2018	9.54	0.43	(1.41)	(0.98)	(0.28)	—	(0.28)
Year ended 9-30-2017	9.25	0.46	(0.17)	0.29	—	—	—
Year ended 9-30-2016	8.12	0.39	0.74	1.13	—	—	—
Year ended 9-30-2015	9.77	0.36	(1.84)	(1.48)	(0.17)	—*	(0.17)
Year ended 9-30-2014 ⁽⁴⁾	10.00	0.17	(0.40)	(0.23)	—	—	—
Class N Shares							
Year ended 9-30-2018	9.54	0.44	(1.42)	(0.98)	(0.28)	—	(0.28)
Year ended 9-30-2017	9.25	0.46	(0.17)	0.29	—	—	—
Year ended 9-30-2016	8.12	0.38	0.75	1.13	—	—	—
Year ended 9-30-2015 ⁽⁶⁾	9.08	0.23	(1.19)	(0.96)	—	—	—
Class R Shares							
Year ended 9-30-2018	9.41	0.35	(1.38)	(1.03)	(0.22)	—	(0.22)
Year ended 9-30-2017	9.17	0.39	(0.15)	0.24	—	—	—
Year ended 9-30-2016	8.09	0.32	0.76	1.08	—	—	—
Year ended 9-30-2015	9.74	0.31	(1.82)	(1.51)	(0.14)	—*	(0.14)
Year ended 9-30-2014 ⁽⁴⁾	10.00	0.15	(0.41)	(0.26)	—	—	—

	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 9-30-2018	\$8.22	-11.01%	\$ 12	1.21%	4.28%	1.45%	4.04%	90%
Year ended 9-30-2017	9.47	2.82	13	1.25	4.45	1.63	4.07	63
Year ended 9-30-2016	9.21	13.56	12	1.25	3.90	2.03	3.12	74
Year ended 9-30-2015	8.11	-15.45	26	1.25	3.81	2.21 ⁽⁹⁾	2.85	40
Year ended 9-30-2014 ⁽⁴⁾	9.76	-2.40	20	1.25 ⁽⁵⁾	3.70 ⁽⁵⁾	2.18 ⁽⁵⁾⁽¹⁰⁾	2.77 ⁽⁵⁾	18 ⁽⁷⁾
Class C Shares								
Year ended 9-30-2018	8.06	-11.56	2	1.86	3.54	2.10	3.30	90
Year ended 9-30-2017	9.28	2.09	2	1.97	3.81	2.27	3.51	63
Year ended 9-30-2016	9.09	12.78	2	2.00	3.27	2.50	2.77	74
Year ended 9-30-2015	8.06	-16.12	2	2.00	2.98	2.71 ⁽¹¹⁾	2.27	40
Year ended 9-30-2014 ⁽⁴⁾	9.73	-2.70	2	2.00 ⁽⁵⁾	2.95 ⁽⁵⁾	2.85 ⁽⁵⁾⁽¹²⁾	2.10 ⁽⁵⁾	18 ⁽⁷⁾
Class E Shares								
Year ended 9-30-2018	8.23	-10.78	2	1.05	4.32	1.29	4.08	90
Year ended 9-30-2017	9.48	2.93	2	1.17	4.60	1.46	4.31	63
Year ended 9-30-2016	9.21	13.56	2	1.26	4.01	1.72	3.55	74
Year ended 9-30-2015	8.11	-15.45	2	1.26	3.72	1.93 ⁽¹³⁾	3.05	40
Year ended 9-30-2014 ⁽⁴⁾	9.76	-2.40	2	1.25 ⁽⁵⁾	3.72 ⁽⁵⁾	2.09 ⁽⁵⁾⁽¹⁴⁾	2.88 ⁽⁵⁾	18 ⁽⁷⁾
Class I Shares								
Year ended 9-30-2018	8.28	-10.56	80	0.80	4.80	1.23	4.37	90
Year ended 9-30-2017	9.54	3.14	45	0.91	4.96	1.39	4.48	63
Year ended 9-30-2016	9.25	13.92	26	1.00	4.42	1.62	3.80	74
Year ended 9-30-2015	8.12	-15.29	8	1.00	4.00	1.83 ⁽¹⁵⁾	3.17	40
Year ended 9-30-2014 ⁽⁴⁾	9.77	-2.30	8	1.00 ⁽⁵⁾	3.97 ⁽⁵⁾	1.99 ⁽⁵⁾⁽¹⁶⁾	2.98 ⁽⁵⁾	18 ⁽⁷⁾
Class N Shares								
Year ended 9-30-2018	8.28	-10.56	41	0.80	4.83	1.05	4.58	90
Year ended 9-30-2017	9.54	3.14	52	0.80	4.95	1.11	4.64	63
Year ended 9-30-2016	9.25	13.92	1	1.00	4.35	1.47	3.88	74
Year ended 9-30-2015 ⁽⁶⁾	8.12	-10.57	—*	1.00 ⁽⁵⁾	4.03 ⁽⁵⁾	1.68 ⁽⁵⁾⁽¹⁹⁾	3.35 ⁽⁵⁾	40 ⁽⁸⁾
Class R Shares								
Year ended 9-30-2018	8.16	-11.23	2	1.50	3.87	1.79	3.58	90
Year ended 9-30-2017	9.41	2.62	2	1.50	4.27	1.97	3.80	63
Year ended 9-30-2016	9.17	13.35	2	1.50	3.77	2.21	3.06	74
Year ended 9-30-2015	8.09	-15.63	2	1.50	3.48	2.54 ⁽¹⁷⁾	2.44	40
Year ended 9-30-2014 ⁽⁴⁾	9.74	-2.60	2	1.50 ⁽⁵⁾	3.47 ⁽⁵⁾	2.59 ⁽⁵⁾⁽¹⁸⁾	2.38 ⁽⁵⁾	18 ⁽⁷⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PICTET EMERGING MARKETS LOCAL CURRENCY DEBT FUND (Continued)

	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 Y Shares							
Year ended 9-30-2018	\$ 9.48	\$0.37	\$ (1.39)	\$ (1.02)	\$(0.24)	\$—	\$(0.24)
Year ended 9-30-2017	9.21	0.41	(0.14)	0.27	—	—	—
Year ended 9-30-2016	8.11	0.35	0.75	1.10	—	—	—
Year ended 9-30-2015	9.76	0.34	(1.83)	(1.49)	(0.16)	—*	(0.16)
Year ended 9-30-2014 ⁽⁴⁾	10.00	0.16	(0.40)	(0.24)	—	—	—

* 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 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 April 30, 2014 (commencement of operations of the class) through September 30, 2014.

(5) Annualized.

(6) For the period from January 30, 2015 (commencement of operations of the class) through September 30, 2015.

(7) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2014.

(8) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2015.

(9) Ratio of expenses to average net assets excluding offering cost was 2.00%.

(10) Ratio of expenses to average net assets excluding offering cost was 1.80%.

(11) Ratio of expenses to average net assets excluding offering cost was 2.50%.

(12) Ratio of expenses to average net assets excluding offering cost was 2.47%.

(13) Ratio of expenses to average net assets excluding offering cost was 1.72%.

(14) Ratio of expenses to average net assets excluding offering cost was 1.71%.

(15) Ratio of expenses to average net assets excluding offering cost was 1.62%.

(16) Ratio of expenses to average net assets excluding offering cost was 1.61%.

(17) Ratio of expenses to average net assets excluding offering cost was 2.33%.

(18) Ratio of expenses to average net assets excluding offering cost was 1.96%.

(19) Ratio of expenses to average net assets excluding offering cost was 1.47%.

(20) Ratio of expenses to average net assets excluding offering cost was 1.86%.

	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 Y Shares								
Year ended 9-30-2018	\$8.22	-11.00%	\$3	1.21%	4.11%	1.45%	3.87%	90%
Year ended 9-30-2017	9.48	2.93	3	1.25	4.48	1.63	4.10	63
Year ended 9-30-2016	9.21	13.56	5	1.25	4.06	1.86	3.45	74
Year ended 9-30-2015	8.11	-15.45	2	1.25	3.73	2.07 ⁽²⁰⁾	2.91	40
Year ended 9-30-2014 ⁽⁴⁾	9.76	-2.40	3	1.25 ⁽⁵⁾	3.72 ⁽⁵⁾	2.24 ⁽⁵⁾⁽²⁰⁾	2.73 ⁽⁵⁾	18 ⁽⁷⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PICTET TARGETED RETURN 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 9-30-2018	\$ 10.11	\$ 0.16	\$(0.18)	\$(0.02)	\$(0.07)	\$ —	\$(0.07)
Year ended 9-30-2017	10.21	0.09	0.03	0.12	(0.13)	(0.09)	(0.22)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.06	0.15	0.21	—	—	—
Class C Shares							
Year ended 9-30-2018	10.05	0.09	(0.17)	(0.08)	(0.06)	—	(0.06)
Year ended 9-30-2017	10.16	0.02	0.02	0.04	(0.06)	(0.09)	(0.15)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.01	0.15	0.16	—	—	—
Class I Shares							
Year ended 9-30-2018	10.13	0.18	(0.18)	0.00*	(0.07)	—	(0.07)
Year ended 9-30-2017	10.23	0.11	0.03	0.14	(0.15)	(0.09)	(0.24)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.08	0.15	0.23	—	—	—
Class N Shares							
Year ended 9-30-2018	10.13	0.18	(0.15)	0.03	(0.08)	—	(0.08)
Year ended 9-30-2017	10.24	0.14	0.00*	0.14	(0.16)	(0.09)	(0.25)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.09	0.15	0.24	—	—	—
Class Y Shares							
Year ended 9-30-2018	10.11	0.16	(0.18)	(0.02)	(0.07)	—	(0.07)
Year ended 9-30-2017	10.22	0.09	0.02	0.11	(0.13)	(0.09)	(0.22)
Year ended 9-30-2016 ⁽⁴⁾	10.00	0.06	0.16	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 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 January 4, 2016 (commencement of operations of the class) through September 30, 2016.

(5) Annualized.

(6) Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2016.

(7) Ratio of expenses to average net assets excluding offering cost was 1.22%.

(8) Ratio of expenses to average net assets excluding offering cost was 1.14%.

(9) Ratio of expenses to average net assets excluding offering cost was 1.89%.

(10) Ratio of expenses to average net assets excluding offering cost was 1.77%.

(11) Ratio of expenses to average net assets excluding offering cost was 0.98%.

(12) Ratio of expenses to average net assets excluding offering cost was 0.87%.

(13) Ratio of expenses to average net assets excluding offering cost was 0.85%.

(14) Ratio of expenses to average net assets excluding offering cost was 0.74%.

(15) Ratio of expenses to average net assets excluding offering cost was 1.22%.

(16) Ratio of expenses to average net assets excluding offering cost was 1.02%.

	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⁾	Portfolio Turnover Rate
Class A Shares								
Year ended 9-30-2018	\$10.02	-0.22%	\$ 21	1.22%	1.56%	1.39%	1.39%	152%
Year ended 9-30-2017	10.11	1.20	20	1.24 ⁽⁷⁾	0.88	1.43	0.69	190
Year ended 9-30-2016 ⁽⁴⁾	10.21	2.10	19	1.27 ⁽⁵⁾⁽⁸⁾	0.88 ⁽⁵⁾	1.55 ⁽⁵⁾	0.60 ⁽⁵⁾	90 ⁽⁶⁾
Class C Shares								
Year ended 9-30-2018	9.91	-0.85	4	1.92	0.86	2.09	0.69	152
Year ended 9-30-2017	10.05	0.46	4	1.91 ⁽⁹⁾	0.21	2.10	0.02	190
Year ended 9-30-2016 ⁽⁴⁾	10.16	1.60	4	1.90 ⁽⁵⁾⁽¹⁰⁾	0.15 ⁽⁵⁾	2.18 ⁽⁵⁾	-0.13 ⁽⁵⁾	90 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	10.06	0.03	123	1.00	1.79	1.21	1.58	152
Year ended 9-30-2017	10.13	1.43	111	1.00 ⁽¹¹⁾	1.13	1.22	0.91	190
Year ended 9-30-2016 ⁽⁴⁾	10.23	2.30	74	1.00 ⁽⁵⁾⁽¹²⁾	1.02 ⁽⁵⁾	1.30 ⁽⁵⁾	0.72 ⁽⁵⁾	90 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	10.08	0.25	89	0.87	1.79	1.05	1.61	152
Year ended 9-30-2017	10.13	1.45	155	0.87 ⁽¹³⁾	1.37	1.07	1.17	190
Year ended 9-30-2016 ⁽⁴⁾	10.24	2.40	2	0.87 ⁽⁵⁾⁽¹⁴⁾	1.17 ⁽⁵⁾	1.16 ⁽⁵⁾	0.88 ⁽⁵⁾	90 ⁽⁶⁾
Class Y Shares								
Year ended 9-30-2018	10.02	-0.22	4	1.22	1.55	1.44	1.33	152
Year ended 9-30-2017	10.11	1.17	4	1.24 ⁽¹⁵⁾	0.88	1.46	0.66	190
Year ended 9-30-2016 ⁽⁴⁾	10.22	2.20	4	1.15 ⁽⁵⁾⁽¹⁶⁾	0.89 ⁽⁵⁾	1.55 ⁽⁵⁾	0.49 ⁽⁵⁾	90 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PINEBRIDGE HIGH YIELD 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 9-30-2018	\$ 10.15	\$0.48	\$(0.30)	\$ 0.18	\$(0.49)	\$(0.03)	\$(0.52)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.16	0.10	0.26	(0.11)	—	(0.11)
Class I Shares							
Year ended 9-30-2018	10.15	0.51	(0.31)	0.20	(0.51)	(0.03)	(0.54)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.17	0.10	0.27	(0.12)	—	(0.12)
Class N Shares							
Year ended 9-30-2018	10.15	0.51	(0.32)	0.19	(0.51)	(0.03)	(0.54)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.17	0.10	0.27	(0.12)	—	(0.12)
Class R Shares							
Year ended 9-30-2018	10.15	0.43	(0.31)	0.12	(0.43)	(0.03)	(0.46)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.14	0.11	0.25	(0.10)	—	(0.10)

⁽¹⁾ Based on average weekly shares outstanding.⁽²⁾ Based on net asset value, which does not reflect the sales charge 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 May 18, 2017 (commencement of operations of the class) through September 30, 2017.⁽⁵⁾ Annualized.⁽⁶⁾ Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$ 9.81	1.71%	\$ 8	1.00%	4.83%	1.11%	4.72%	81%
Year ended 9-30-2017 ⁽⁴⁾	10.15	2.64	6	1.00 ⁽⁵⁾	4.22 ⁽⁵⁾	—	—	60 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	9.81	2.10	46	0.72	5.14	1.00	4.86	81
Year ended 9-30-2017 ⁽⁴⁾	10.15	2.72	22	0.72 ⁽⁵⁾	4.55 ⁽⁵⁾	0.87 ⁽⁵⁾	4.40 ⁽⁵⁾	60 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	9.80	2.00	32	0.72	5.10	0.83	4.99	81
Year ended 9-30-2017 ⁽⁴⁾	10.15	2.72	35	0.72 ⁽⁵⁾	4.44 ⁽⁵⁾	0.73 ⁽⁵⁾	4.43 ⁽⁵⁾	60 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	9.81	1.19	1	1.47	4.35	1.57	4.25	81
Year ended 9-30-2017 ⁽⁴⁾	10.15	2.50	1	1.46 ⁽⁵⁾	3.74 ⁽⁵⁾	—	—	60 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

SEPTEMBER 30, 2018

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 Apollo Multi-Asset Income Fund, Ivy Apollo Strategic Income Fund, Ivy California Municipal High Income Fund, Ivy Cash Management Fund, Ivy Corporate Bond Fund (formerly known as Ivy Bond Fund), Ivy Crossover Credit Fund, Ivy Government Securities Fund, Ivy IG International Small Cap Fund, Ivy Pictet Emerging Markets Local Currency Debt Fund, Ivy Pictet Targeted Return Bond Fund and Ivy PineBridge High Yield Fund (each, a “Fund”) are eleven 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 shares. Certain Funds offer Class B, Class C, Class E, Class I, Class N, Class R and Class Y shares. The Funds’ Class B shares are not available for purchase by new and existing investors. Class B will continue to be available for dividend reinvestment and exchanges from Class B shares of another fund within Ivy Funds. 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 N, Class R 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 and Class N shares are not included in the plan. With certain exceptions described in the Prospectus, Class B shares will automatically convert to Class A shares 96 months after the date of purchase. With certain exceptions described in the Prospectus, Class C shares will automatically convert to Class A shares 120 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 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 approved 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 to 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. The Funds file income tax returns in U.S. federal and applicable state jurisdictions. The Funds’ tax returns are subject to examination by the relevant taxing authority until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax returns. Management of the Trust periodically reviews all tax positions to assess whether 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 the date of these financial statements, management believes that no liability for unrecognized tax positions is required.

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 exceed net investment income and accumulated realized capital gains, a portion of the total distribution may be treated as a return of capital for tax purposes.

Segregation and Collateralization. In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (“SEC”), the Dodd Frank Wall Street Reform and Consumer Protection Act, or the interpretive rules and regulations of the U.S. Commodities Futures Trading Commission 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 or non-investment-grade bonds, that 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.

Collateralized Loan Obligations. Certain Funds may invest in collateralized loan obligations (“CLOs”). CLOs are a type of asset-backed security. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The cash flows of a CLO can be split into multiple segments, called “tranches”, which will vary in risk profile and yield. Each tranche is a piece of the CLO, and dictates who will be paid out first when the underlying loan payments are made. It also dictates the risk associated with the investment, since investors who are paid last have a higher risk of default from the underlying loans.

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, the London Interbank Offered Rate (“LIBOR”) 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 direct 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 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 cash or in 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.

Indemnification. 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 March 2017, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU"), ASU 2017-08 which provides guidance related to the amortization period for certain purchased callable debt securities held at a premium. The ASU is effective for annual periods beginning after December 15, 2018, and interim periods within those annual periods. Management is currently evaluating the implication of this amendment and its impact to the Funds' financial statements and related disclosures.

In August 2018, the FASB issued ASU 2018-13 which changes the fair value measurement disclosure requirements of ASC 820. The ASU is effective for annual periods beginning after December 15, 2019, and interim periods within those annual periods. Management is currently evaluating the implication of this amendment and its impact to the Funds' financial statements and related disclosures.

In October 2018, the Securities Exchange Commission ("Commission") adopted amendments to certain disclosure requirements that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other Commission disclosure requirements, U.S. GAAP, or changes in the information environment. We are also referring certain Commission disclosure requirements that overlap with, but require information incremental to, U.S. GAAP to the FASB for potential incorporation into U.S. GAAP. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The amendments are effective November 2018. Management is currently evaluating the implication of these amendments and their impact 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 financial instruments 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 the last reported sales price, 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 approved 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 Cash Management Fund 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. Short-term securities with maturities of 60 days or less held in all Funds (with the exception of Ivy Cash Management Fund) are valued based on quotes that are obtained from an independent pricing service approved by the Board as described in the preceding paragraph above.

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 financial instruments 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 financial instruments. 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 financial instruments and for determining whether the value of the applicable securities or financial instruments 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 financial instruments 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 financial instrument cannot be valued pursuant to one of the valuation methods established by the Board, the value of the security or financial instrument 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 its 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 are 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 its 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.

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, which are provided by an independent pricing service. Swaps derive their value from underlying asset prices, indices, reference rates and other inputs or a combination of these factors. 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. Exchange-traded futures contracts 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 for a comparable listed option provided by an independent pricing service unless such a price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer.

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 ask 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.

Other Government Securities. Other government securities include emerging market sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities. The fair value of other government securities 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 other government securities 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.

Restricted Securities. Restricted securities that are deemed to be 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 to the extent that significant inputs to valuation are unobservable, because they trade infrequently, if at all 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 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. 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 and/or affiliated securities and in net change in unrealized appreciation (depreciation) on investments in unaffiliated and/or affiliated securities, respectively. Additionally, the net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of September 30, 2018, if applicable, is included on the Statement of Operations in net change in unrealized appreciation (depreciation) on investments in unaffiliated and/or affiliated securities.

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.

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 are 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. 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.

Ivy Apollo Multi-Asset Income Fund, Ivy Apollo Strategic Income Fund, Ivy Pictet Emerging Markets Local Currency Debt Fund and Ivy Pictet Targeted Return Bond Fund enter into forward foreign currency exchange contracts as an economic hedge against either specific transactions or portfolio instruments or to obtain exposure to, or hedge exposure away from foreign currencies (foreign currency exchange rate risk).

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 amounts, known as variation margin, are paid or received by the Fund each day, dependent on the daily fluctuations in the value of the underlying debt security or index. Options in futures contracts may also be purchased or sold by a Fund.

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.

Ivy Pictet Emerging Markets Local Currency Debt Fund and Ivy Pictet Targeted Return Bond Fund invest in long and/or short positions in futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk), changes in the value of equity securities (equity risk) or foreign currencies (foreign currency exchange rate risk).

Option Contracts. Options purchased by a Fund are accounted for in the same manner as portfolio securities. The cost of the underlying 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. 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.

Option contracts can be traded on a regulated exchange or traded OTC. Unlike the trades on a regulated exchange where the clearinghouse guarantees the performances of both the buyer and the seller, 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.

Ivy Pictet Emerging Markets Local Currency Debt Fund and Ivy Pictet Targeted Return Bond Fund purchase and write call and put options to increase or decrease hedging exposure to underlying instruments (which include credit risk, equity risk, foreign currency exchange rate risk, event risk and/or interest rate risk), increase exposure to various equity markets or certain sectors, gain exposure to or facilitate trading in certain securities and/or, in the case of options written, to generate returns from options premiums.

Swap Agreements. Certain Funds may invest in swap agreements. Swap agreements are bilaterally negotiated agreements between a Fund and counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements are privately negotiated in the over the counter market ("OTC swaps"). If the OTC swap entered is one of the swaps identified by a relevant regulator as a swap that is required to be cleared, then it will be cleared through a third party, known as a central counterparty or derivatives clearing organization ("centrally cleared swaps").

Swaps are marked to market daily and changes in value are recorded as unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps, if any, are recorded as variation margin receivable or variation margin payable on the Statement of Assets and Liabilities. Payments received or made by the Fund are recorded as realized gain or loss on the Statement of Operations. Any upfront premiums paid are recorded as assets and any upfront fees received are recorded as liabilities and are shown as swap premiums paid and swap premiums received, respectively, if any, on the Statement of Assets and Liabilities and amortized over the term of the swap. An early termination payment received or made at an early termination or a final payment made at the maturity of the swap is recorded as realized gain or loss on the Statement of Operations.

After a centrally cleared swap is accepted for clearing, a Fund may be required to deposit initial margin with the clearing member in the form of cash or securities. Securities deposited as initial margin, if any, are designated on the Schedule of Investments. Cash deposited as initial margin is identified on the Schedule of Investments and is recorded as restricted cash on the Statement of Assets and Liabilities.

Credit default swap agreements (“CDS”) on corporate issuers or credit indices involve one party making a stream of periodic payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of the corporate issuer or all or part of the referenced entities comprising the credit index. A Fund may enter a physically settled or cash settled CDS. As a buyer, if an underlying credit event occurs depending on if the CDS is to be physically settled or cash settled, a Fund will either (i) receive from the seller an amount equal to the notional amount of the swap and deliver the corporate issuer security or (ii) receive a net settlement of cash equal to the notional amount of the swap less the recovery value of the corporate issuer security or underlying securities comprising the index. As a seller (writer), if an underlying credit event occurs, a Fund will either pay the buyer an amount equal to the notional amount of the swap and take delivery of the corporate issuer security or pay a net settlement of cash equal to the notional amount of the swap less the recovery value of the corporate issuer security or underlying securities comprising the index.

Ivy Pictet Emerging Markets Local Currency Debt Fund and Ivy Pictet Targeted Return Bond Fund enter into credit default swaps to protect bonds owned by a Fund against default.

Interest rate swaps are agreements in which one party pays a stream of interest payments, either fixed or floating, for another party’s stream of interest payments, either fixed or floating, on the same notional amount for a specified period of time.

Ivy Pictet Emerging Markets Local Currency Debt Fund and Ivy Pictet Targeted Return Bond Fund enter into interest rate swaps to gain or reduce exposure to interest rates or to manage duration, the yield curve or interest rate risk by economically hedging the value of the fixed rate bonds, which may decrease when interest rates rise (interest rate risk).

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

Ivy Pictet Targeted Return Bond Fund enters into total return swaps to hedge exposure to a security or market.

The creditworthiness of the counterparty with which a Fund enters into a swap agreement is monitored by IICO. If a counterparty 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 due to facts specific to certain situations (i.e., collateral may not have been posted by the counterparty due to the required collateral amount being less than the pre-agreed thresholds. Additionally, regulatory developments called stay resolutions and the ensuing required contractual amendments to the transactional documentation, including derivatives, permit the relevant regulators to preclude parties to a transaction from terminating trades, among other rights it may have in the trade agreements should a counterparty that it regulates experience financial distress. A relevant regulator also has the authority to reduce the value of certain liabilities owed by the counterparty to a Fund and/or convert cash liabilities of a regulated entity into equity holdings. The power given to the relevant regulators includes the ability to amend transactional agreements unilaterally, modify the maturity of eligible liabilities, reduce the amount of interest payable or change the date on which interest becomes payable, among other powers.

To prevent incurring losses due to the counterparty credit risk, IICO actively monitors the creditworthiness of the counterparties with which it has entered financial transactions. IICO consistently and frequently risk manages the credit risk of the counterparties it faces in transactions.

Collateral and rights of offset. A Fund mitigates 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 all OTC derivative transactions between the Fund and each of its counterparties. Although it is not possible to eliminate credit risk entirely, the CSA allows the Fund and its counterparty to reduce their exposure to the risk of payment default by the other party by holding an amount in collateral equivalent to the realized and unrealized amount of exposure to the counterparty, which is generally held by the Fund’s custodian. An amount of collateral is moved to/from applicable counterparties only if the amount of collateral required to be posted surpasses both the threshold and the minimum transfer amount pre-agreed in the CSA between the Fund and the counterparty. See Note 2 “Segregation and Collateralization” for additional information with respect to collateral practices.

Offsetting of Assets and Liabilities. The following tables present financial instruments that are either (1) offset or (2) subject to an enforceable master netting arrangement or similar agreement as of September 30, 2018:

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 Apollo Multi-Asset Income Fund							
Unrealized appreciation on forward foreign currency contracts	\$ 241	\$—	\$ 241	\$ —*	\$(237)	\$—	\$ 4
Ivy Apollo Strategic Income Fund							
Unrealized appreciation on forward foreign currency contracts	\$ 232	\$—	\$ 232	\$ —*	\$(228)	\$—	\$ 4
Ivy Pictet Emerging Markets Local Currency Debt Fund							
Unrealized appreciation on forward foreign currency contracts	\$ 948	\$—	\$ 948	\$ (945)	\$ —	\$(3)	\$ —
Swap agreements, at value	276	—	276	(72)	—	—	204
Total	\$ 1,224	\$—	\$ 1,224	\$ (1,017)	\$ —	\$(3)	\$204
Ivy Pictet Targeted Return Bond Fund							
Investments in unaffiliated securities at value**	\$ 1,383	\$—	\$ 1,383	\$(1,084)	\$ —	\$—	\$299
Unrealized appreciation on forward foreign currency contracts	1,012	—	1,012	(314)	—	—	698
Total	\$2,395	\$—	\$2,395	\$(1,398)	\$ —	\$—	\$997

* Not shown due to rounding.

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

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
<u>Ivy Apollo Multi-Asset Income Fund</u>							
Unrealized depreciation on forward foreign currency contracts ⁽¹⁾	\$—*	\$—	\$—*	\$—	\$—	\$—	\$—*
<u>Ivy Apollo Strategic Income Fund</u>							
Unrealized depreciation on forward foreign currency contracts ⁽¹⁾	\$—*	\$—	\$—*	\$—	\$—	\$—	\$—*

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
<u>Ivy Pictet Emerging Markets Local Currency Debt Fund</u>							
Unrealized depreciation on forward foreign currency contracts	\$ 2,544	\$—	\$ 2,544	\$ (945)	\$ —	\$(546)	\$1,053
Swap agreements, at value	116	—	116	(72)	—	(5)	39
Total	\$2,660	\$—	\$2,660	\$ (1,017)	\$ —	\$(551)	\$1,092
<u>Ivy Pictet Targeted Return Bond Fund</u>							
Unrealized depreciation on forward foreign currency contracts	\$ 776	\$—	\$ 776	\$ (314)	\$(433)	\$ —	\$ 29
Swap agreements, at value	374	—	374	—	(98)	—	276
Written options at value	1,145	—	1,145	(1,084)	(52)	—	9
Total	\$2,295	\$—	\$2,295	\$(1,398)	\$(583)	\$ —	\$ 314

* Not shown due to rounding.

⁽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 September 30, 2018:

Fund	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Ivy Apollo Multi-Asset Income Fund	Foreign currency	Unrealized appreciation on forward foreign currency contracts	\$ 241		\$ —
Ivy Apollo Strategic Income Fund	Foreign currency	Unrealized appreciation on forward foreign currency contracts	232		—
Ivy Pictet Emerging Markets Local Currency Debt Fund	Credit		—	Swap agreements, at value	13
	Foreign currency	Unrealized appreciation on forward foreign currency contracts	948	Unrealized depreciation on forward foreign currency contracts	2,544
	Interest rate	Unrealized appreciation on centrally cleared swap agreements**	32	Unrealized depreciation on centrally cleared swap agreements**	13
		Unrealized appreciation on futures contracts**	17	Unrealized depreciation on futures contracts**	12
		Swap agreements, at value	276	Swap agreements, at value	103
Ivy Pictet Targeted Return Bond Fund	Credit	Investments in unaffiliated securities at value*	29	Written options at value	18
		Unrealized appreciation on centrally cleared swap agreements**	229	Swap agreements, at value	284
	Foreign currency	Investments in unaffiliated securities at value*	1,354	Written options at value	1,127
		Unrealized appreciation on forward foreign currency contracts	1,012	Unrealized depreciation on forward foreign currency contracts	776

Fund	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Ivy Pictet Targeted Return Bond Fund (Continued)	Interest rate	Investments in unaffiliated securities at value*	\$ 96	Written options at value	\$ 64
		Unrealized appreciation on centrally cleared swap agreements**	777	Unrealized depreciation on centrally cleared swap agreements**	469
		Unrealized appreciation on futures contracts**	1,028	Unrealized depreciation on futures contracts**	110
				Swap agreements, at value	90

* 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 and centrally cleared swap agreements; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) as of year ended September 30, 2018.

Amount of realized gain (loss) on derivatives recognized on the Statement of Operations for the year ended September 30, 2018:

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 Apollo Multi-Asset Income Fund	Foreign currency	\$ —	\$ —	\$ —	\$ —	\$ 341	\$ 341
Ivy Apollo Strategic Income Fund	Foreign currency	—	—	—	—	567	567
Ivy Pictet Emerging Markets Local Currency Debt Fund	Credit	—	175	—	—	—	175
	Foreign currency	—	—	—	—	(327)	(327)
	Interest rate	(13)	32	12	4	—	35
Ivy Pictet Targeted Return Bond Fund	Credit	(256)	292	—	221	—	257
	Foreign currency	(260)	—	—	212	5,171	5,123
	Interest rate	(361)	(98)	1,761	68	—	1,370

* 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 September 30, 2018:

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 Apollo Multi-Asset Income Fund	Foreign currency	\$ —	\$ —	\$—	\$ —	\$ 445	\$ 445
Ivy Apollo Strategic Income Fund	Foreign currency	—	—	—	—	197	197
Ivy Pictet Emerging Markets Local Currency Debt Fund	Credit	—	(5)	—	—	—	(5)
	Foreign currency	—	—	—	—	(1,577)	(1,577)
	Interest rate	—	146	5	—	—	151
Ivy Pictet Targeted Return Bond Fund	Credit	44	(77)	—	61	—	28
	Foreign currency	837	—	—	417	(1,343)	(89)
	Interest rate	(104)	204	13	(22)	—	91

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

During the year ended September 30, 2018, the average derivative volume was as follows:

Fund	Forward foreign currency contracts ⁽¹⁾	Long futures contracts ⁽²⁾	Short futures contracts ⁽²⁾	Swap agreements ⁽³⁾	Purchased options ⁽²⁾	Written options ⁽²⁾
Ivy Apollo Multi-Asset Income Fund	\$287	\$ —	\$ —	\$ —	\$ —	\$ —
Ivy Apollo Strategic Income Fund	366	—	—	—	—	—
Ivy Pictet Emerging Markets Local Currency Debt Fund	316	5,789	2,399	35,067	1	—*
Ivy Pictet Targeted Return Bond Fund	315	10,503	85,327	106,889	757	404

* Not shown due to rounding.

(1) Average absolute value of unrealized appreciation/depreciation during the period.

(2) Average value outstanding during the period.

(3) Average notional amount outstanding during the period.

5. 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 \$1,500M	\$1,500 to \$2,000M	\$2,000 to \$2,500M	\$2,500 to \$3,000M	\$3,000 to \$5,000M	\$5,000 to \$10,000M	\$10,000 to \$15,000M	\$15,000 to \$20,000M	Over \$20,000M
Ivy Apollo Multi-Asset Income Fund	0.700%	0.700%	0.650%	0.650%	0.610%	0.610%	0.580%	0.580%	0.580%	0.580%	0.580%
Ivy Apollo Strategic Income Fund	0.680	0.680	0.620	0.620	0.580	0.580	0.570	0.570	0.570	0.570	0.570
Ivy California Municipal High Income Fund	0.525	0.500	0.450	0.400	0.400	0.400	0.400	0.395	0.390	0.385	0.385
Ivy Cash Management Fund	0.350	0.350	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
Ivy Corporate Bond Fund	0.475	0.475	0.450	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
Ivy Crossover Credit Fund	0.500	0.450	0.425	0.425	0.425	0.400	0.400	0.375	0.375	0.375	0.375
Ivy Government Securities Fund	0.500	0.450	0.400	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350
Ivy IG International Small Cap Fund	1.000	1.000	0.950	0.950	0.900	0.900	0.900	0.850	0.850	0.850	0.850
Ivy Pictet Emerging Markets Local Currency Debt Fund	0.750	0.750	0.725	0.725	0.700	0.700	0.700	0.675	0.650	0.650	0.650
Ivy Pictet Targeted Return Bond Fund	0.900	0.900	0.850	0.850	0.800	0.800	0.800	0.750	0.750	0.750	0.750
Ivy PineBridge High Yield Fund	0.625	0.600	0.550	0.500	0.500	0.500	0.500	0.500	0.490	0.490	0.480

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 September 30, 2018.

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

Under an agreement between IICO and Apollo Credit Management, LLC (“Apollo”), Apollo serves as subadviser for the total return strategy of each of the Ivy Apollo Multi-Asset Income Fund and Ivy Apollo Strategic Income Fund. Under an agreement between IICO and LaSalle Investment Management Securities, LLC (“LaSalle”), LaSalle serves as subadviser for the global real estate strategy of the Ivy Apollo Multi-Asset Income Fund. Under an agreement between IICO and Pictet

Asset Management Limited (“Pictet UK”) and Pictet Asset Management (Singapore) PTE Ltd. (“Pictet Singapore,” and collectively with Pictet UK, “Pictet”), Pictet serves as subadvisor to Ivy Pictet Emerging Markets Local Currency Debt Fund. Under an agreement between IICO and I.G. International Management Ltd. (“IG Ireland”), IG Ireland serves as subadvisor for the Ivy IG International Small Cap Fund. Under an agreement between IICO and Pictet Asset Management SA (“Pictet AM CH”), Pictet AM CH serves as subadvisor to Ivy Pictet Targeted Return Bond Fund. Under an agreement between IICO and PineBridge Investments LLC (“PineBridge”), PineBridge serves as subadvisor to Ivy PineBridge High Yield Fund. Each subadvisor 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.

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 Trustees 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 Chief Compliance Officer of the Funds are shown on the Statement of Operations.

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 (InvestEd Portfolios and Ivy Funds) reaches certain levels. 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. 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 N 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. The Fund will reimburse WISC for such costs if the annual rate of the third-party per account charges for a Fund are less than or equal to \$12.00 per account or an annual fee of 0.14 of 1% that is based on average daily net assets.

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 (up to \$18.00 per account), or a fixed rate fee (up to an annual fee of 0.20 of 1% that is based on average daily net assets), 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 Distributors, Inc. (“IDI”) 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 IDI 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. For the Waddell & Reed Advisors Bond Fund (Ivy Corporate Bond Fund’s Predecessor Fund) and Waddell & Reed Advisors Government Securities Fund (Ivy Government Securities Fund’s Predecessor Fund), the Board voluntarily limited payment to 0.237% and 0.232%, respectively, of the Fund’s average Class A net assets on an annual basis. This waiver ended when the reorganization occurred on October 16, 2017.

Class B and Class C Shares. Under the Distribution and Service Plan, each Fund may pay IDI 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 IDI 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 IDI 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 IDI 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 IDI 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 IDI 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, IDI 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 IDI. During the year ended September 30, 2018, IDI 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 Apollo Multi-Asset Income Fund	\$202	\$ 2	N/A	\$ 1	N/A	\$ 183
Ivy Apollo Strategic Income Fund	123	3	N/A	3	N/A	109
Ivy California Municipal High Income Fund	22	1	N/A	—*	N/A	20
Ivy Cash Management Fund	—	1	\$ 1	—*	N/A	189,331
Ivy Corporate Bond Fund	192	2	2	1	\$ —	165
Ivy Crossover Credit Fund	9	—*	N/A	N/A	—	7
Ivy Government Securities Fund	52	—*	—*	—*	—	37
Ivy IG International Small Cap Fund	31	—*	N/A	—*	N/A	34
Ivy Pictet Emerging Markets Local Currency Debt Fund	10	—*	N/A	—*	—	10
Ivy Pictet Targeted Return Bond Fund	21	—*	N/A	—*	N/A	20
Ivy PineBridge High Yield Fund	11	—*	N/A	N/A	N/A	9

* Not shown due to rounding.

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

Expense Reimbursements and/or Waivers. IICO, the Funds' investment manager, IDI, the Funds' distributor, and/or Waddell & Reed Services Company, doing business as WISC, the Funds' transfer agent, have contractually agreed to reimburse sufficient management fees, 12b-1 fees and/or shareholder servicing fees to cap the total annual ordinary fund operating expenses (which would exclude interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, if any). Fund and class expense limitations and related waivers/reimbursements for the year ended September 30, 2018 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 Apollo Multi-Asset Income Fund	All Classes	Contractual	10-1-2015	1-31-2019	N/A	\$ 15 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	10-1-2015	1-31-2019	1.30%	\$ —	N/A
	Class C	Contractual	10-1-2015	1-31-2019	2.17%	\$ —	N/A
	Class I	Contractual	10-1-2015	1-31-2020	0.75% ⁽⁷⁾	\$83	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	0.75% ⁽⁷⁾	\$ —*	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class Y	Contractual	10-1-2015	1-31-2019	1.25%	\$ —	N/A
	Class Y	Contractual	10-1-2015	1-31-2019	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 Apollo Strategic Income Fund	All Classes	Contractual	10-1-2015	1-31-2019	N/A	\$ 50 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	10-1-2015	1-31-2019	1.15%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class C	Contractual	10-1-2015	1-31-2019	1.85%	\$ 12	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	10-1-2015	1-31-2020	0.67% ⁽⁸⁾	\$329	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	0.67% ⁽⁸⁾	\$ 1	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class Y	Contractual	10-1-2015	1-31-2019	1.10%	\$ —	N/A
Ivy California Municipal High Income Fund	Class Y	Contractual	10-1-2015	1-31-2019	Not to exceed Class A	\$ 5	12b-1 Fees and/or Shareholder Servicing
	All Classes	Voluntary	10-3-2016	1-31-2019	N/A	\$109 ⁽²⁾	Investment Management Fee
	Class A	Contractual	10-3-2016	1-31-2019	0.80%	\$ 9	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	10-3-2016	1-31-2019	0.60%	\$ 18	Shareholder Servicing
Ivy Cash Management Fund	Class Y	Contractual	10-3-2016	1-31-2019	Not to exceed Class A	\$ 3	12b-1 Fees and/or Shareholder Servicing
	Class B	Voluntary	N/A	N/A	To maintain minimum yield ⁽³⁾	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class C	Voluntary	N/A	N/A	To maintain minimum yield ⁽³⁾	\$ 2	12b-1 Fees and/or Shareholder Servicing
Ivy Corporate Bond Fund	Class A	Voluntary	N/A	2-26-2018	0.237% 12b-1 Fees	\$ 2	12b-1 Fees
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class Y	Contractual	10-16-2017	7-31-2020	Not to exceed Class A	\$ —	N/A
Ivy Crossover Credit Fund	All Classes	Contractual	4-3-2017	1-31-2019	N/A	\$ 90 ⁽⁴⁾	Investment Management Fee
	Class A	Contractual	4-3-2017	1-31-2019	0.90%	\$ 6	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	4-3-2017	1-31-2019	0.65%	\$ 38	Shareholder Servicing
	Class N	Contractual	4-3-2017	1-31-2019	0.65%	\$ —*	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
Ivy Government Securities Fund	Class Y	Contractual	4-3-2017	1-31-2019	Not to exceed Class A	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class A	Voluntary	N/A	2-26-2018	0.232% 12b-1 Fees	\$ 1	12b-1 Fees
	Class A	Contractual	10-16-2017	7-31-2020	1.00%	\$ 91	12b-1 Fees and/or Shareholder Servicing
	Class B	Contractual	10-16-2017	7-31-2020	2.13%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class C	Contractual	10-16-2017	7-31-2020	1.88%	\$ 4	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	10-16-2017	7-31-2020	0.72%	\$ 57	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class Y	Contractual	10-16-2017	7-31-2020	Not to exceed Class A	\$ —*	12b-1 Fees and/or Shareholder Servicing

Fund Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Ivy IG International Small Cap Fund	All Classes	Contractual	1-10-2017	1-31-2019	N/A	\$ 74 ⁽⁴⁾	Investment Management Fee
	Class A	Contractual	1-10-2017	1-31-2019	1.45%	\$ 6	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	1-10-2017	1-31-2020	0.99% ⁽⁹⁾	\$ 84	Shareholder Servicing
	Class N	Contractual	7-31-2018	1-31-2020	0.99%	\$ 1	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class Y	Contractual	1-10-2017	1-31-2019	Not to exceed Class A	\$ 3	12b-1 Fees and/or Shareholder Servicing
Ivy Pictet Emerging Markets Local Currency Debt Fund	All Classes	Contractual	4-30-2014	1-31-2019	N/A	\$ 314 ⁽⁵⁾	Investment Management Fee
	Class A	Contractual	4-30-2014	1-31-2019	1.25%	\$ —	N/A
	Class C	Contractual	4-30-2014	1-31-2019	2.00%	\$ —	N/A
	Class E	Contractual	4-30-2014	1-31-2019	1.40%	\$ —	N/A
	Class I	Contractual	4-30-2014	1-31-2019	0.80%	\$ 113	Shareholder Servicing
	Class N	Contractual	1-30-2015	1-31-2019	0.80%	\$ 5	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class R	Contractual	4-30-2014	1-31-2019	1.50%	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	4-30-2014	1-31-2019	1.25%	\$ —	N/A
	Class Y	Contractual	4-30-2014	1-31-2019	Not to exceed Class A	\$ —	N/A
Ivy Pictet Targeted Return Bond Fund	All Classes	Contractual	1-4-2016	1-31-2019	N/A	\$ 443 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	1-4-2016	1-31-2019	1.38%	\$ —	N/A
	Class C	Contractual	1-4-2016	1-31-2019	2.08%	\$ —	N/A
	Class I	Contractual	1-4-2016	1-31-2019	1.00%	\$ 54	Shareholder Servicing
	Class N	Contractual	1-4-2016	1-31-2019	0.87%	\$ 13	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A
	Class Y	Contractual	1-4-2016	1-31-2019	1.25%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class Y	Contractual	1-4-2016	1-31-2019	Not to exceed Class A	\$ —	N/A
Ivy PineBridge High Yield Fund	All Classes	Contractual	5-18-2017	1-31-2019	N/A	\$ 81 ⁽⁶⁾	Investment Management Fee
	Class A	Contractual	5-18-2017	1-31-2019	1.00%	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	5-18-2017	1-31-2019	0.72%	\$ 68	Shareholder Servicing
	Class N	Contractual	5-18-2017	1-31-2019	0.72%	\$ 3	Shareholder Servicing
	Class N	Contractual	10-1-2015	1-31-2020	Not to exceed Class I	\$ —	N/A

* Not shown due to rounding.

(1) Due to Class A, Class C, Class I, Class N and/or Class Y contractual expense limits, investment management fees were waived for all share classes.

(2) For Funds managed solely by IICO, IICO has voluntarily agreed to waive its management fee for any day that a Fund's net assets are less than \$25 million, subject to IICO's right to change, modify or terminate this voluntary waiver at any time, without prior notice to shareholders.

(3) Minimum yield was 0.02%.

(4) Due to Class A, Class I, Class N and/or Class Y contractual expense limits, investment management fees were waived for all share classes.

(5) Due to Class A, Class C, Class E, Class I, Class N, Class R and/or Class Y contractual expense limits, investment management fees were waived for all share classes.

(6) Due to Class A, Class I and/or Class N contractual expense limits, investment management fees were waived for all share classes.

(7) Reflects the lower expense limit which went into effect July 31, 2018. Prior to July 31, 2018, the expense limit in effect was 1.00%.

(8) Reflects the lower expense limit which went into effect July 31, 2018. Prior to July 31, 2018, the expense limit in effect was 0.85%.

(9) Reflects the lower expense limit which went into effect July 31, 2018. Prior to July 31, 2018, the expense limit in effect was 1.15%.

Any amounts due to the Funds as a reimbursement but not paid as of September 30, 2018 are shown as a receivable from affiliates on the Statement of Assets and Liabilities.

6. INTERFUND LENDING PROGRAM

Pursuant to an exemptive order issued by the SEC (“Order”), the Ivy Funds, Ivy Variable Insurance Portfolios and InvestEd Portfolios (collectively, the “Funds” only for purposes of this footnote 6) 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 September 30, 2018.

7. 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 September 30, 2018, were as follows:

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Ivy Apollo Multi-Asset Income Fund	\$ —	\$ 299,815	\$ —	\$348,094
Ivy Apollo Strategic Income Fund	25,253	217,088	28,759	204,601
Ivy California Municipal High Income Fund	—	11,493	—	2,062
Ivy Cash Management Fund	—	—	—	—
Ivy Corporate Bond Fund	8,430	288,653	68,252	321,094
Ivy Crossover Credit Fund	—	36,096	—	30,446
Ivy Government Securities Fund	172,228	1,003	159,427	996
Ivy IG International Small Cap Fund	—	208,189	—	82,604
Ivy Pictet Emerging Markets Local Currency Debt Fund	—	144,367	—	101,732
Ivy Pictet Targeted Return Bond Fund	144,432	232,119	165,481	232,131
Ivy PineBridge High Yield Fund	—	84,788	—	60,522

8. LOANS OF PORTFOLIO SECURITIES (\$ amounts in thousands)

The Funds may lend their portfolio securities only to borrowers that are approved by the Fund’s securities lending agent, The Bank of New York Mellon (“BNYM”). The borrower pledges and maintains with the Fund collateral consisting of cash or securities issued or guaranteed by the U.S. government. The initial collateral received by the Fund is required to have a value of at least 102% of the market value of the loaned securities for securities traded on U.S. exchanges and a value of at least 105% of the market value for all other securities. The collateral is maintained thereafter, at a market value equal to no less than 100% of the current value of the securities on loan. The market value of the loaned securities is determined at the close of each business day and any additional required collateral is delivered to the Fund and any excess collateral is returned by the Fund on the next business day. During the term of the loan, the Fund is entitled to all distributions made on or in respect of the loaned securities but does not receive interest income on securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

Cash received as collateral for securities on loan may be reinvested in the Dreyfus Institutional Preferred Government Money Market Fund — Institutional Shares or certain other registered money market funds and are disclosed in the Fund’s Schedule of Investments and are reflected in the Statement of Assets and Liabilities as cash collateral on securities loaned at value. Non-cash collateral, in the form of securities issued or guaranteed by the U.S. government or its agencies or instrumentalities, is not disclosed in the Fund’s Statement of Assets and Liabilities as it is held by the lending agent on behalf of the Fund and the Fund does not have the ability to re-hypothecate these securities. The securities on loan for each Fund are also disclosed in its Schedule of Investments. The total value of any securities on loan as of September 30, 2018 and the total value of the related cash collateral are disclosed in the Statement of Assets and Liabilities. Income earned by the Funds from securities lending activity is disclosed in the Statements of Operations.

The following is a summary of each Fund's securities lending positions and related cash and non-cash collateral received as of September 30, 2018:

Fund	Market Value of Securities on Loan	Cash Collateral Received	Non-Cash Collateral Received	Total Collateral Received
Ivy Apollo Multi-Asset Income Fund	\$13,855	\$13,457	\$ 886	\$14,343
Ivy Apollo Strategic Income Fund	9,781	7,408	2,587	9,995
Ivy Corporate Bond Fund	334	341	—	341
Ivy Crossover Credit Fund	214	220	—	220
Ivy IG International Small Cap Fund	2,874	3,867	—	3,867
Ivy Pictet Emerging Markets Local Currency Debt Fund	732	832	—	832
Ivy PineBridge High Yield Fund	1,232	1,260	—	1,260

The cash collateral received amounts presented in the table above are transactions accounted for as secured borrowings and have an overnight and continuous maturity. The proceeds from the cash collateral received is invested in registered money market funds.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Funds benefit from a borrower indemnity provided by BNYM. BNYM's indemnity allows for full replacement of securities lent wherein BNYM will purchase the unreturned loaned securities on the open market by applying the proceeds of the collateral or to the extent such proceeds are insufficient or the collateral is unavailable, BNYM will purchase the unreturned loan securities at BNYM's expense. However, the Fund could suffer a loss if the value of the investments purchased with cash collateral falls below the value of the cash collateral received.

9. BUSINESS COMBINATIONS (All amounts in thousands)

On October 16, 2017, Ivy Bond Fund and Ivy Government Securities Fund acquired all assets and liabilities of Waddell & Reed Advisors Bond Fund and Waddell & Reed Advisors Government Securities Fund, respectively, pursuant to a plan of reorganization approved by the Board of Trustees on May 17, 2017. The purpose of each transaction was to combine two portfolios with comparable investment objectives and strategies. The acquisition was accomplished by a tax-free exchange of shares of Waddell & Reed Advisors Bond Fund and Waddell & Reed Advisors Government Securities Fund for shares of the Ivy Bond Fund and Ivy Government Securities Fund, respectively. Class Y Shares of Waddell & Reed Advisors Bond Fund and Waddell & Reed Advisors Government Securities Fund were exchanged for Class I Shares of Ivy Bond Fund and Ivy Government Securities Fund, respectively.

The investment portfolio of Waddell & Reed Advisors Bond Fund and Waddell & Reed Advisors Government Securities Fund was the principal asset acquired by Ivy Bond Fund and Ivy Government Securities Fund, respectively. For financial reporting purposes, assets received and shares issued by Ivy Bond Fund and Ivy Government Securities Fund were recorded at fair value; however, the cost basis of the investments received from Waddell & Reed Advisors Bond Fund and Waddell & Reed Advisors Government Securities Fund were carried forward to align ongoing reporting of Ivy Bond Fund and Ivy Government Securities Funds' realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

On February 26, 2018, Ivy Cash Management Fund acquired all assets and liabilities of Waddell & Reed Advisors Cash Management pursuant to a plan of reorganization approved by the Board of Trustees on November 14, 2017. The purpose of the transaction was to combine two portfolios with comparable investment objectives and strategies. The acquisition was accomplished by a tax-free exchange of shares of Waddell & Reed Advisors Cash Management for shares of the Ivy Cash Management Fund.

The investment portfolio of Waddell & Reed Advisors Cash Management was the principal asset acquired by Ivy Cash Management Fund. For financial reporting purposes, assets received and shares issued by Ivy Cash Management Fund were recorded at fair value; however, the cost basis of the investments received from Waddell & Reed Advisors Cash Management was carried forward to align ongoing reporting of Ivy Cash Management Fund's realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

10. 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 Apollo Multi-Asset Income Fund				Ivy Apollo Strategic Income Fund			
	Year ended 9-30-18		Year ended 9-30-17		Year ended 9-30-18		Year ended 9-30-17	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	2,510	\$ 27,821	7,063	\$ 73,750	2,433	\$ 24,515	5,306	\$ 54,105
Class C	306	3,384	945	9,895	192	1,941	436	4,447
Class I	8,425	93,196	24,048	252,440	11,229	113,073	21,465	219,126
Class N	91	1,009	150	1,595	386	3,894	8,863	90,674
Class Y	158	1,763	395	4,272	131	1,325	419	4,277
Shares issued in reinvestment of distributions to shareholders:								
Class A	474	5,209	365	3,866	391	3,929	337	3,431
Class C	47	520	35	376	25	245	20	207
Class I	1,357	14,901	1,122	11,905	1,455	14,613	1,134	11,553
Class N	4	46	6	59	277	2,781	97	996
Class Y	6	66	4	41	24	243	17	177
Shares redeemed:								
Class A	(4,083)	(45,211)	(3,536)	(37,550)	(3,067)	(30,867)	(2,839)	(29,004)
Class C	(729)	(8,086)	(478)	(5,084)	(374)	(3,770)	(466)	(4,762)
Class I	(14,177)	(156,950)	(13,179)	(140,655)	(12,330)	(123,964)	(9,492)	(97,046)
Class N	(139)	(1,545)	(96)	(1,015)	(1,256)	(12,660)	(3,583)	(36,793)
Class Y	(62)	(689)	(358)	(3,889)	(186)	(1,864)	(142)	(1,457)
Net increase (decrease)	(5,812)	\$ (64,566)	16,486	\$ 170,006	(670)	\$ (6,566)	21,572	\$ 219,931
	Ivy California Municipal High Income Fund				Ivy Cash Management Fund			
	Year ended 9-30-18		Period from 10-3-16 (commencement of operations) to 9-30-17		Year ended 9-30-18		Year ended 9-30-17	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	640	\$ 6,459	835	\$ 8,338	4,406,067	\$4,406,067	7,169,437	\$ 7,169,436
Class B	N/A	N/A	N/A	N/A	265	265	153	153
Class C	50	505	137	1,371	831	831	2,489	2,489
Class I	667	6,745	734	7,355	N/A	N/A	N/A	N/A
Class Y	6	57	121	1,218	N/A	N/A	N/A	N/A
Shares issued in reinvestment of distributions to shareholders:								
Class A	13	128	4	43	13,911	13,911	3,632	3,632
Class B	N/A	N/A	N/A	N/A	1	1	—*	—*
Class C	1	9	1	5	2	2	1	1
Class I	17	174	4	37	N/A	N/A	N/A	N/A
Class Y	1	6	—	—	N/A	N/A	N/A	N/A
Shares redeemed:								
Class A	(117)	(1,175)	(18)	(181)	(4,516,231)	(4,516,231)	(7,195,998)	(7,195,998)
Class B	N/A	N/A	N/A	N/A	(305)	(305)	(704)	(704)
Class C	(13)	(127)	—	—	(2,584)	(2,584)	(3,125)	(3,125)
Class I	(237)	(2,387)	(35)	(346)	N/A	N/A	N/A	N/A
Class Y	—	—	(2)	(18)	N/A	N/A	N/A	N/A
Net increase (decrease)	1,028	\$ 10,394	1,781	\$ 17,822	(98,043)	\$ (98,043)	(24,116)	\$ (24,116)

* Not shown due to rounding.

	Ivy Corporate Bond Fund				Ivy Crossover Credit Fund			
	Year ended		Year ended		Year ended		Period from 4-3-17	
	9-30-18		9-30-17		9-30-18		(commencement of operations) to 9-30-17	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	6,750	\$ 41,297	7,135	\$ 44,736	201	\$ 2,048	1,093	\$10,939
Class B	11	68	9	53	N/A	N/A	N/A	N/A
Class C	111	681	192	1,195	N/A	N/A	N/A	N/A
Class E	40	250	N/A	N/A	—	—	50	500
Class I	20,676	126,588	37,033	231,536	1,020	10,232	1,834	18,443
Class N	11,414	71,374	N/A	N/A	—	—	50	500
Class R	40	250	N/A	N/A	—	—	50	500
Class Y	40	250	N/A	N/A	1	10	105	1,055
Shares issued in reinvestment of distributions to shareholders:								
Class A	1,470	8,999	3,099	19,187	8	84	1	6
Class B	1	10	10	59	N/A	N/A	N/A	N/A
Class C	14	85	49	300	N/A	N/A	N/A	N/A
Class E	—	—	N/A	N/A	—	—	—	—
Class I	2,518	15,410	5,112	31,667	33	322	3	29
Class N	254	1,549	N/A	N/A	—	—	—	—
Class R	—	—	N/A	N/A	—	—	—	—
Class Y	—	—	N/A	N/A	—*	2	—	—
Shares redeemed:								
Class A	(17,542)	(107,173)	(20,287)	(126,626)	(91)	(887)	(2)	(19)
Class B	(121)	(741)	(164)	(1,019)	N/A	N/A	N/A	N/A
Class C	(766)	(4,718)	(522)	(3,264)	N/A	N/A	N/A	N/A
Class E	—	—	N/A	N/A	—	—	—	—
Class I	(39,725)	(244,355)	(50,612)	(316,281)	(507)	(4,951)	(14)	(138)
Class N	(4,302)	(26,048)	N/A	N/A	—	—	—	—
Class R	—	—	N/A	N/A	—	—	—	—
Class Y	—	—	N/A	N/A	(2)	(23)	—	—
Net increase (decrease)	(19,117)	\$ (116,224)	(18,946)	\$ (118,457)	663	\$ 6,837	3,170	\$ 31,815

* Not shown due to rounding.

	Ivy Government Securities Fund				Ivy IG International Small Cap Fund			
	Year ended 9-30-18		Year ended 9-30-17		Year ended 9-30-18		Period from 1-10-17 (commencement of operations) to 9-30-17	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	1,576	\$ 8,381	1,863	\$ 10,167	1,289	\$ 16,094	1,135	\$ 11,575
Class B	8	41	8	44	N/A	N/A	N/A	N/A
Class C	20	110	33	179	183	2,297	106	1,059
Class E	46	250	N/A	N/A	N/A	N/A	N/A	N/A
Class I	9,556	50,709	41,028	223,314	5,380	68,762	2,326	24,117
Class N	47,751	257,331	N/A	N/A	8,752	107,676	45	450
Class R	46	250	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	46	250	N/A	N/A	400	5,117	46	461
Shares issued in reinvestment of distributions to shareholders:								
Class A	180	967	231	1,252	—*	6	—	—
Class B	—*	—*	—*	2	N/A	N/A	N/A	N/A
Class C	1	7	2	13	—	—	—	—
Class E	—	—	N/A	N/A	N/A	N/A	N/A	N/A
Class I	381	2,021	489	2,655	3	43	—	—
Class N	588	3,108	N/A	N/A	28	344	—	—
Class R	—	—	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	—	—	N/A	N/A	—*	2	—	—
Shares redeemed:								
Class A	(4,214)	(22,370)	(7,181)	(38,922)	(950)	(11,762)	(44)	(459)
Class B	(53)	(281)	(93)	(505)	N/A	N/A	N/A	N/A
Class C	(332)	(1,776)	(192)	(1,045)	(122)	(1,514)	—	—
Class E	—	—	N/A	N/A	N/A	N/A	N/A	N/A
Class I	(42,060)	(227,016)	(13,773)	(74,769)	(2,268)	(28,449)	(63)	(717)
Class N	(14,063)	(74,127)	N/A	N/A	(2,128)	(27,464)	—	—
Class R	—	—	N/A	N/A	N/A	N/A	N/A	N/A
Class Y	—	—	N/A	N/A	(76)	(958)	—	—
Net increase (decrease)	(523)	\$ (2,145)	22,415	\$122,385	10,491	\$130,194	3,551	\$36,486

* Not shown due to rounding.

	Ivy Pictet Emerging Markets Local Currency Debt Fund				Ivy Pictet Targeted Return Bond Fund			
	Year ended 9-30-18		Year ended 9-30-17		Year ended 9-30-18		Year ended 9-30-17	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class A	756	\$ 7,118	972	\$ 9,026	522	\$ 5,234	780	\$ 7,824
Class C	30	274	30	269	29	282	26	257
Class E	—	—	—	—	N/A	N/A	N/A	N/A
Class I	8,302	73,790	3,617	33,513	5,719	57,480	7,783	78,164
Class N	822	7,389	6,880	63,387	1,993	20,112	19,880	198,994
Class R	—	—	—	—	N/A	N/A	N/A	N/A
Class Y	20	181	72	645	—	—	—	—
Shares issued in reinvestment of distributions to shareholders:								
Class A	19	174	—	—	8	79	25	244
Class C	1	6	—	—	—*	2	—*	4
Class E	—	—	—	—	N/A	N/A	N/A	N/A
Class I	155	1,423	—	—	79	799	208	2,057
Class N	163	1,499	—	—	62	623	—*	4
Class R	—	—	—	—	N/A	N/A	N/A	N/A
Class Y	—*	3	—	—	—	—	—	—
Shares redeemed:								
Class A	(688)	(5,964)	(880)	(8,174)	(473)	(4,747)	(669)	(6,700)
Class C	(30)	(272)	(14)	(127)	(15)	(148)	(13)	(128)
Class E	—	—	—	—	N/A	N/A	N/A	N/A
Class I	(3,443)	(31,306)	(1,875)	(17,340)	(4,436)	(44,599)	(4,299)	(43,106)
Class N	(1,428)	(13,114)	(1,445)	(13,636)	(8,589)	(86,194)	(4,762)	(47,906)
Class R	—	—	—	—	N/A	N/A	N/A	N/A
Class Y	(20)	(170)	(275)	(2,401)	—	—	—	—
Net increase (decrease)	4,659	\$ 41,031	7,082	\$ 65,162	(5,101)	\$ (51,077)	18,959	\$ 189,708

	Ivy PineBridge High Yield Fund			
	Year ended 9-30-18		Period from 5-18-17 (commencement of operations) to 9-30-17	
	Shares	Value	Shares	Value
Shares issued from sale of shares:				
Class A	218	\$ 2,185	1,192	\$ 11,991
Class I	3,063	30,386	3,431	34,479
Class N	464	4,626	6,703	67,111
Class R	—	—	50	500
Shares issued in reinvestment of distributions to shareholders:				
Class A	10	98	—*	3
Class I	97	951	3	28
Class N	191	1,886	47	476
Class R	—	—	—	—
Shares redeemed:				
Class A	(65)	(641)	(553)	(5,593)
Class I	(638)	(6,253)	(1,234)	(12,475)
Class N	(727)	(7,199)	(3,382)	(34,102)
Class R	—	—	—	—
Net increase	2,613	\$ 26,039	6,257	\$ 62,418

* Not shown due to rounding.

11. COMMITMENTS (\$ amounts in thousands)

Bridge loan commitments may obligate a Fund to furnish temporary financing to a borrower until permanent financing can be arranged. 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. At year ended September 30, 2018, Ivy Apollo Multi-Asset Income Fund and Ivy Apollo Strategic Income Fund had outstanding bridge loan commitments of \$3,173 and \$3,665, respectively.

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

For Federal income tax purposes, cost of investments owned at September 30, 2018 and the related unrealized appreciation (depreciation) were as follows:

Fund	Cost of Investments	Gross Appreciation	Gross Depreciation	Net Unrealized Appreciation (Depreciation)
Ivy Apollo Multi-Asset Income Fund	\$ 497,301	\$36,671	\$ 12,716	\$23,955
Ivy Apollo Strategic Income Fund	512,274	4,708	13,205	(8,497)
Ivy California Municipal High Income Fund	28,321	265	309	(44)
Ivy Cash Management Fund	1,286,103	—	—	—
Ivy Corporate Bond Fund	972,959	6,827	28,811	(21,984)
Ivy Crossover Credit Fund	37,074	26	1,537	(1,511)
Ivy Government Securities Fund	387,089	80	13,383	(13,303)
Ivy IG International Small Cap Fund	171,048	12,487	8,974	3,513
Ivy Pictet Emerging Markets Local Currency Debt Fund	149,161	—	12,421	(12,421)
Ivy Pictet Targeted Return Bond Fund	234,887	2,759	7,910	(5,151)
Ivy PineBridge High Yield Fund	88,697	595	1,985	(1,390)

For Federal income tax purposes, the Funds' distributed and undistributed earnings and profit for the year ended September 30, 2018 and the post-October and late-year ordinary activity were as follows:

Fund	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Tax Return of Capital	Post-October Capital Losses Deferred	Late-Year Ordinary Losses Deferred
Ivy Apollo Multi-Asset Income Fund	\$7,633	\$12,518	\$—	\$ —	\$ —
Ivy Apollo Strategic Income Fund	3,197	1,025	—	—	—
Ivy California Municipal High Income Fund	6	—	—	—	—
Ivy Cash Management Fund	338	—	—	—	—
Ivy Corporate Bond Fund	3,636	—	—	—	—
Ivy Crossover Credit Fund	230	—	—	425	—
Ivy Government Securities Fund	178	—	—	—	—
Ivy IG International Small Cap Fund	2,495	274	—	—	—
Ivy Pictet Emerging Markets Local Currency Debt Fund	270	—	—	—	2,650
Ivy Pictet Targeted Return Bond Fund	7,379	—	—	—	—
Ivy PineBridge High Yield Fund	356	—	—	435	—

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

The tax character of dividends and distributions paid during the two fiscal years ended September 30, 2018 and 2017 were as follows:

Fund	September 30, 2018		September 30, 2017	
	Distributed Ordinary Income ⁽¹⁾	Distributed Long-Term Capital Gains	Distributed Ordinary Income ⁽¹⁾	Distributed Long-Term Capital Gains
Ivy Apollo Multi-Asset Income Fund	\$ 21,910	\$ 56	\$16,104	\$675
Ivy Apollo Strategic Income Fund	23,150	908	18,221	227
Ivy California Municipal High Income Fund	653	—	328	—
Ivy Cash Management Fund	14,950	—	3,740	—

Fund	September 30, 2018		September 30, 2017	
	Distributed Ordinary Income ⁽¹⁾	Distributed Long-Term Capital Gains	Distributed Ordinary Income ⁽¹⁾	Distributed Long-Term Capital Gains
Ivy Corporate Bond Fund	\$26,464	\$—	\$37,953	\$13,931
Ivy Crossover Credit Fund	1,415	—	305	—
Ivy Government Securities Fund	6,542	—	4,039	—
Ivy IG International Small Cap Fund	482	—	—	—
Ivy Pictet Emerging Markets Local Currency Debt Fund	3,499	—	—	—
Ivy Pictet Targeted Return Bond Fund	2,113	—	2,231	446
Ivy PineBridge High Yield Fund	4,308	—	827	—

⁽¹⁾ Includes short-term capital gains distributed, if any.

Dividends from net investment income and short-term capital gains are treated as ordinary income dividends for federal income tax purposes.

Accumulated capital losses represent net capital loss carryovers as of September 30, 2018 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. As of September 30, 2018, the capital loss carryovers were as follows:

Fund	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Ivy Apollo Multi-Asset Income Fund	\$ —	\$ —
Ivy Apollo Strategic Income Fund	—	—
Ivy California Municipal High Income Fund	118	7
Ivy Cash Management Fund	—	—
Ivy Corporate Bond Fund	2,335	5,663
Ivy Crossover Credit Fund	—	—
Ivy Government Securities Fund	4,335	2,958
Ivy IG International Small Cap Fund	—	—
Ivy Pictet Emerging Markets Local Currency Debt Fund	644	1,273
Ivy Pictet Targeted Return Bond Fund	938	334
Ivy PineBridge High Yield 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 start-up costs. At September 30, 2018, the following reclassifications were made:

Fund	Undistributed Net Investment Income	Accumulated Net Realized Gain (Loss)	Paid-In Capital	Unrealized Appreciation (Depreciation)
Ivy Apollo Multi-Asset Income Fund	\$ (14)	\$ 14	\$ —	\$ —
Ivy Apollo Strategic Income Fund	371	(371)	—	—
Ivy California Municipal High Income Fund	—*	—*	—*	—
Ivy Cash Management Fund	—	—	—	—
Ivy Corporate Bond Fund	501	(480)	(21)	—
Ivy Crossover Credit Fund	4	1	(5)	—
Ivy Government Securities Fund	674	(646)	(28)	—
Ivy IG International Small Cap Fund	(35)	38	(3)	—
Ivy Pictet Emerging Markets Local Currency Debt Fund	(6,375)	6,389	(4)	(10)
Ivy Pictet Targeted Return Bond Fund	8,083	(8,152)	(1)	70
Ivy PineBridge High Yield Fund	2	—*	(2)	—

* Not shown due to rounding.

To the Shareholders and Board of Trustees of Ivy Funds:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statements of assets and liabilities of Ivy Apollo Multi-Asset Income Fund, Ivy Apollo Strategic Income Fund, Ivy California Municipal High Income Fund, Ivy Cash Management Fund, Ivy Corporate Bond Fund (formerly, Ivy Bond Fund), Ivy Crossover Credit Fund, Ivy Government Securities Fund, Ivy IG International Small Cap Fund, Ivy Pictet Emerging Markets Local Currency Debt Fund, Ivy Pictet Targeted Return Bond Fund, and Ivy PineBridge High Yield Fund (the “Funds”), eleven of the series constituting Ivy Funds, including the schedules of investments, as of September 30, 2018; 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 five years in the period then ended for Ivy Cash Management Fund, Ivy Corporate Bond Fund, and Ivy Government Securities Fund; the related statements of operations, changes in net assets, and the financial highlights for the periods indicated in the table below for Ivy Apollo Multi-Asset Income Fund, Ivy Apollo Strategic Income Fund, Ivy California Municipal High Income Fund, Ivy Crossover Credit Fund, Ivy IG International Small Cap Fund, Ivy Pictet Emerging Markets Local Currency Debt Fund, Ivy Pictet Targeted Return Bond Fund, and Ivy PineBridge High Yield Fund; and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of each of the funds listed above constituting Ivy Funds as of September 30, 2018, and the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended (or for the period listed in the table below), and the financial highlights for each of the five years in the period then ended (or for the period listed in the table below), in conformity with accounting principles generally accepted in the United States of America.

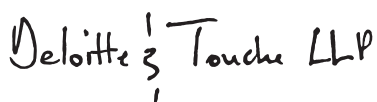
Individual Fund Comprising the Ivy Funds	Statement of Operations	Statements of Changes in Net Assets	Financial Highlights
Ivy Apollo Multi-Asset Income Fund	For the year ended September 30, 2018	For the years ended September 30, 2018 and 2017	For the years ended September 30, 2018, 2017, and the period from October 1, 2015 (commencement of operations) through September 30, 2016
Ivy Apollo Strategic Income Fund			
Ivy California Municipal High Income Fund	For the year ended September 30, 2018	For the year ended September 30, 2018, and the period from October 3, 2016 (commencement of operations) through September 30, 2017	
Ivy Crossover Credit Fund	For the year ended September 30, 2018	For the year ended September 30, 2018, and the period from April 3, 2017 (commencement of operations) through September 30, 2017	
Ivy IG International Small Cap Fund	For the year ended September 30, 2018	For the year ended September 30, 2018, and the period from January 10, 2017 (commencement of operations) through September 30, 2017	
Ivy Pictet Emerging Markets Local Currency Debt Fund	For the year ended September 30, 2018	For the years ended September 30, 2018 and 2017	For the years ended September 30, 2018, 2017, 2016, 2015, and the period from April 30, 2014 (commencement of operations) through September 30, 2014
Ivy Pictet Targeted Return Bond Fund	For the year ended September 30, 2018	For the years ended September 30, 2018 and 2017	For the years ended September 30, 2018, 2017, and the period from January 4, 2016 (commencement of operations) through September 30, 2016
Ivy PineBridge High Yield Fund	For the year ended September 30, 2018	For the year ended September 30, 2018, and the period from May 18, 2017 (commencement of operations) through September 30, 2017	

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. 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, whether due to error or fraud. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting 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.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of September 30, 2018, by correspondence with the custodian, agent banks, and brokers; when replies were not received from agent banks and brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

Kansas City, Missouri
November 20, 2018

We have served as the auditor of one or more Waddell & Reed investment companies since 1997.

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 September 30, 2018:

	Dividends Received Deduction for Corporations	Qualified Dividend Income for Individuals
Ivy Apollo Multi-Asset Income Fund	\$2,086,161	\$7,283,733
Ivy Apollo Strategic Income Fund	—	—
Ivy California Municipal High Income Fund	—	—
Ivy Cash Management Fund	—	—
Ivy Corporate Bond Fund	—	—
Ivy Crossover Credit Fund	—	—
Ivy Government Securities Fund	—	—
Ivy IG International Small Cap Fund	—	534,812
Ivy Pictet Emerging Markets Local Currency Debt Fund	—	—
Ivy Pictet Targeted Return Bond Fund	—	—
Ivy PineBridge High Yield Fund	—	—

Ivy California Municipal High Income Fund hereby designates \$605,821 of the dividends declared from net investment income as exempt from federal income tax for the tax period ending September 30, 2018.

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

Ivy Apollo Multi-Asset Income Fund	\$ 55,768
Ivy Apollo Strategic Income Fund	907,354
Ivy California Municipal High Income Fund	—
Ivy Cash Management Fund	—
Ivy Corporate Bond Fund	—
Ivy Crossover Credit Fund	—
Ivy Government Securities Fund	—
Ivy IG International Small Cap Fund	—
Ivy Pictet Emerging Markets Local Currency Debt Fund	—
Ivy Pictet Targeted Return Bond Fund	—
Ivy PineBridge High Yield Fund	—

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 September 30, 2018, 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 IG International Small Cap Fund	\$247,958	\$3,495,592

The tax status of dividends paid and the pass-through of foreign taxes paid will be reported to you on Form 1099-DIV after the close of the applicable calendar year.

(UNAUDITED)

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 Independent Trustees. The Board elects the officers who are responsible for administering the Funds’ day-to-day operations. The Trust is part of the Fund Complex, which is comprised of the 50 portfolios within the Trust, 29 portfolios within the Ivy Variable Insurance Portfolios (Ivy VIP), Ivy High Income Opportunities Fund (a closed-end fund) (IVH), 3 funds within the Ivy NextShares and 6 portfolios within the InvestEd Portfolios. Each member of the Board also is a member of the Board of Trustees of each of the other trusts within the Fund Complex.

Joseph Harroz, Jr. serves as Independent Chairman of the Trust’s Board and of the Board of Trustees of the other funds in the Fund Complex. A Trustee serves until his or her successor is elected and qualified or until his or her earlier death, resignation or removal.

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 Investments website, www.ivyinvestments.com.

Independent Trustees

The following table provides information regarding each Independent 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	2002	President, Boettcher Enterprises, Inc. (agriculture products and services) (1979 to present); Chairman of the Board, Boettcher Supply, Inc. (electrical and plumbing supplies distributor) (1979 to present)	89	Director, Guaranty State Bank & Trust Co. (financial services) (1981 to present); Director, Guaranty, Inc. (financial services) (1981 to present); Member, Kansas Board of Regents (2007-2011); Trustee and Governance Committee Member, Kansas State University Foundation (Education) (1981 to present); Director, Kansas Bioscience Authority (2009-2016); Committee Member, Kansas Foundation for Medical Care (2001-2011); Trustee, Waddell & Reed Advisors Funds (2007-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2007 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2007 to present) (6 portfolios overseen)

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
James M. Concannon 6300 Lamar Avenue Overland Park, KS 66202 1947	Trustee	2017	Professor of Law, Washburn University School of Law (1973 to present)	89	Director, Kansas Legal Services for Prisoners, Inc. (non-profit community service); Director, U.S. Alliance Corporation and wholly-owned subsidiaries: U.S. Alliance Life and Security Company and Dakota Capital Life Insurance Company (Insurance) (2009 to present); Director, Kansas Appleseed, Inc. (non-profit community service) (2007 to present); Trustee, Waddell & Reed Advisors Funds (1997- 2018); Trustee, Ivy High Income Opportunities Fund (2017 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2017 to present) (3 portfolios overseen); Trustee, Ivy VIP (1997 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2001 to present) (6 portfolios overseen)
James D. Gressett 6300 Lamar Avenue Overland Park, KS 66202 1950	Trustee	2002	Chief Executive Officer (CEO) of CalPac Pizza LLC (2011 to present); CEO of CalPac Pizza II LLC (2012 to present); CEO of PacPizza LLC (Pizza Hut franchise) (2000 to present); Member/ CEO, Southern Pac Pizza LLC (2013 to present); 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)	89	Member/Secretary, The Metochoi Group LLC (1999 to present); Member/ Chairman, Idea Homes LLC (homebuilding and development) (2013 to present); Trustee, Waddell & Reed Advisors Funds (2017- 2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)

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	1998 2006	Dean, College of Law, Vice President, University of Oklahoma (2010 to present); Managing Member, Harroz Investments, LLC, (commercial enterprises) (1998 to present)	89	Director and Shareholder, Valliance Bank (2007 to present); Director, Foundation Healthcare (formerly Graymark HealthCare) (2008-2017); Trustee, The Mewbourne Family Support Organization (2006 to present) (non-profit); Independent Director, LSQ Manager, Inc. (real estate) (2007-2016); Director, Oklahoma Foundation for Excellence (non-profit) (2008 to present); Independent Chairman and Trustee, Waddell & Reed Advisors Funds (Independent Chairman: 2015-2018; Trustee: 1998 to 2018); Independent Chairman and Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Independent Chairman and Trustee, Ivy NextShares, (2016 to present) (3 portfolios overseen); Independent Chairman and Trustee, Ivy VIP, (Independent Chairman: 2015 to present); Trustee: 1998 to present) (29 portfolios overseen); Independent Chairman and Trustee, InvestEd Portfolios (Independent Chairman: 2015 to present; Trustee: 2001 to present) (6 portfolios overseen)

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	2002	Of Counsel, Lee & Smith, PC (law firm, emphasis on finance, securities, mergers and acquisitions law) (1996 to present); Owner and Manager, Castle Valley Ranches, LLC (ranching) and Castle Valley Outdoors, LLC (outdoor recreation) (1995 to present); Formerly, Partner, Kelly, Drye & Warren LLP (law firm) (1989-1996); Partner, Lane & Edson PC (law firm) (1987-1989)	89	Director, Thomas Foundation for Cancer Research (non-profit) (2005 to present); Director, Warriors Afield Legacy Foundation (non-profit) (2014 to present); Trustee, Waddell & Reed Advisors Funds (2017-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)
Frank J. Ross, Jr. Polsinelli PC 700 West 47th Street, Suite 1000 Kansas City, MO 64112 1953	Trustee	2017	Shareholder/Director, Polsinelli PC (law firm) (1980 to present)	89	Director, American Red Cross (community service) (2003-2010); Director, Rockhurst University (education) (2003-2009); Director, March of Dimes Birth Defects Foundation, Greater Kansas City Chapter (2001-2009); Trustee, Waddell & Reed Advisors Funds (1996-2018); Trustee, Ivy High Income Opportunities Fund (2017 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2017 to present) (3 portfolios overseen); Trustee, Ivy VIP (1996 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2001 to present) (6 portfolios overseen)

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
Michael G. Smith 6300 Lamar Avenue Overland Park, KS 66202 1944	Trustee	2002	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)	89	Director, Executive Board, Cox Business School, Southern Methodist University (1998 to present); Director, Northwestern Mutual Funds (2003-2017); Director, CTMG, Inc. (clinical testing) (2008-2015); Trustee, Waddell & Reed Advisors Funds (2017-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)
Edward M. Tighe 6300 Lamar Avenue Overland Park, KS 66202 1942	Trustee	1999	Retired; formerly, CEO and Director of Asgard Holdings LLC (computer network and security services) (2002- 2004); President, Citco Technology Management (1995-2000); CEO, Global Mutual Fund Services (1993- 2000); Sr. Vice President, Templeton Global Investors (1988-1992)	89	Director, The Research Coast Principium Foundation, Inc. (non-profit) (2012-2015); Trustee, Hansberger Institutional Funds (2000-2007); Trustee, Waddell & Reed Advisors Funds (2017-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)

Interested Trustee

Mr. Herrmann is “interested” by virtue of his former engagement as an officer of Waddell & Reed Financial, Inc. (“WDR”) or its wholly owned subsidiaries, including each Fund’s investment manager, Ivy Investment Management Company (“IICO”), each Fund’s principal underwriter, Ivy Distributors, Inc. (“IDI”), 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	Trustee	1998	Retired, Non-Executive Chairman of the Board, WDR (2016-2018); Formerly Chairman, WDR (2010-2018); CEO, WDR (2005-2016); President, CEO and Chairman, IICO (2002-2016); President, CEO and Chairman, Waddell & Reed Investment Management Company (WRIMCO) (1993-2016); President of each of the funds in the Fund Complex (2001-2016).	89	Director, WDR, (1998 to present); Director, IICO (2002-2016) ; Director, WRIMCO (1991-2016) ; Director, WISC (2001-2016); Director, W&R Capital Management Group, Inc. (2008-2016) ; Director, WRI (1993-2016); Director, Blue Cross Blue Shield of Kansas City (2007-2017); Trustee, Waddell & Reed Advisors Funds (1998 to 2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (1998 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2001 to present) (6 portfolios overseen)

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. 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
Jennifer K. Dulski 6300 Lamar Avenue Overland Park, KS 66202 1980	Secretary	2017	2017	Senior Vice President and Associate General Counsel of Waddell & Reed and Ivy Distributors, Inc. (“IDI”) (2018 to present); Secretary for each of the funds in the Fund Complex (2017 to present)
Joseph W. Kauten 6300 Lamar Avenue Overland Park, KS 66202 1969	Vice President Treasurer Principal Financial Officer	2008 2008 2008	2006 2006 2007	Vice President of Waddell & Reed Services Company (“WRSCO”) (2007 to present); Principal Financial Officer of each of the funds in the Fund Complex (2007 to present); Vice President and Treasurer of each of the funds in the Fund Complex (2006 to present); Principal Accounting Officer of each of the funds in the Funds Complex (2006-2017); Assistant Treasurer of each of the funds in the Fund Complex (2003-2006)

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
Philip J. Sanders** 6300 Lamar Avenue Overland Park, KS 66202 1959	President	2016	2006	CEO, WDR (2016 to present); Chief Investment Officer, WDR (2011 to present); Chief Investment Officer, IICO and WRIMCO (2010 to present); President, CEO and Chairman, IICO and WRIMCO (2016 to present); President of each of the funds in the Funds Complex (2016 to present)
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); Vice President of WRIMCO and IICO (2006 to present); Vice President of each of the funds in the Fund Complex (2006 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); Senior Vice President, Waddell & Reed and IDI (2017 to present); Vice President of Waddell & Reed and IDI (2010-2016)
John E. Sundeen, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1960	Vice President	2008	2006	Senior Vice President (1999 to present) and Chief Administrative Officer (2006 to present) of WDR; Executive Vice President and Chief Administrative Officer of IICO and WRIMCO (2004 to present); Executive Vice President of WRSCO (2016 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).

** Mr. Sanders was Vice President of the Trust since 2006, and of the Fund Complex since 1998, until his appointment as President in August 2016.

(UNAUDITED)

At a meeting of the Board of Trustees (the “Board”) of Ivy Funds (the “Trust”) held on August 14th and 15th, 2018, the Board, including all of the trustees who are not “interested persons” (the “Independent Trustees”), as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”), unanimously approved the continuance of the Investment Management Agreement (the “Management Agreement”) between Ivy Investment Management Company (“IICO”) and the Trust and the continuance of the Investment Subadvisory Agreements between IICO and:

- Apollo Credit Management, LLC (with respect to Ivy Apollo Multi-Asset Income Fund and Ivy Apollo Strategic Income Fund);
- I.G. International Management Limited (with respect to Ivy IG International Small Cap Fund);
- LaSalle Investment Management Securities, LLC (with respect to Ivy LaSalle Global Real Estate Fund, Ivy LaSalle Global Risk-Managed Real Estate Fund and Ivy Apollo Multi-Asset Income Fund);
- Pictet Asset Management Limited and Pictet Asset Management (Singapore) PTE Ltd. (with respect to Ivy Pictet Emerging Markets Local Currency Debt Fund);
- Pictet Asset Management Limited and Pictet Asset Management SA (with respect to Ivy Pictet Targeted Return Bond Fund);
- PineBridge Investments, LLC (with respect to Ivy PineBridge High Yield Fund);
- ProShare Advisors, LLC (with respect to Ivy ProShares S&P 500 Dividend Aristocrats Index Fund, Ivy ProShares Russell 2000 Dividend Growers Index Fund, Ivy ProShares Interest Rate Hedged High Yield Index Fund, Ivy ProShares S&P 500 Bond Index Fund and Ivy ProShares MSCI ACWI Index Fund); and
- Securian Asset Management, Inc. (with respect to Ivy Securian Core Bond Fund and Ivy Securian Real Estate Securities Fund).

Each subadviser is referred to herein as a “Subadviser,” and the Management Agreement and the Investment Subadvisory Agreements are referred to collectively herein as the “Agreements.”

The Board’s Independent Trustees were assisted in their review by independent legal counsel, and met with such counsel separately from representatives of IICO. Independent legal counsel explained the factors that the Board should consider as part of its review of the Agreements, all as outlined in a memorandum it had provided to the Board prior to the meeting, including, among other things, the nature and the quality of the services provided by IICO and the Subadvisers, profitability (including any fall-out benefits) from IICO’s and the Subadvisers’ relationships with each series of the Trust (each, a “Fund” and together, the “Funds”), economies of scale, the role played by the Independent Trustees, and information on comparative fees and expenses. The Independent Trustees also considered the written responses and materials produced by IICO and each Subadviser in response to 15(c) due diligence request lists submitted by the Independent Trustees’ legal counsel prior to the meeting, as well as materials produced in response to a follow-up request list sent to IICO by independent legal counsel on behalf of the Independent Trustees. Included in those responses, which had been provided to the Board prior to the meeting, was a Fund-by-Fund profitability analysis prepared by IICO, as well as an explanation of the methodology by which the profitability analysis was calculated. The Board also received extensive materials on performance, expenses and comparable fund information from Broadridge, Inc. (“Broadridge”) an independent mutual fund rating service. Finally, the Independent Trustees received and reviewed a considerable amount of information that their independent fee consultant had provided to them. The Independent Trustees previously had reviewed and discussed these materials during a telephonic meeting in July 2018. They further reviewed these materials extensively among themselves, with their independent legal counsel and the independent fee consultant, and with the other Board members at executive sessions of the Independent Trustees at the August 14-15, 2018 Board meeting, during which the Board considered various factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Board’s determination to approve the Agreements are discussed separately below.

Nature, Extent and Quality of Services

The Board considered the nature, extent and quality of services provided to the Funds by IICO and each Subadviser, taking into account the large amount of materials produced by IICO and each Subadviser in response to the 15(c) due diligence requests submitted on its behalf by independent legal counsel to the Independent Trustees.

The Board also took into account the report from its Investment Oversight Committee (the “IOC”), in light of that committee’s duties to assist the Board in the 15(c) process. The IOC had reported to the Board on its review of the performance of the Funds, IICO’s investment risk management function, and the on-going changes IICO has been undertaking for itself, the Trust and the overall fund complex. As such, the Board examined all of IICO’s activities in light of performance and expense structure, as well as the proposed overall rationalization of the fund complex, which is designed to provide economies of scale to the shareholders, reduce the Funds’ expenses and enhance the performance of the Funds, particularly in the context of substantial industry change and regulatory developments.

The Board likewise considered the knowledge it had received from its regular meetings, including from the materials provided in connection with those meetings, such as the resources and key personnel of IICO and each Subadviser, as well as the other services provided to the Funds by IICO and each Subadviser (such as managing the quality of execution of portfolio transactions and the selection of broker-dealers for those transactions, monitoring adherence to each Fund's investment restrictions, producing reports, providing support services for the Board and Board committees, communicating with shareholders and overseeing the activities of other service providers, including monitoring compliance with various Fund policies and procedures and with applicable laws and regulations). The Board also took into account the compliance environment at IICO and each Subadviser, noting the resources that IICO has dedicated towards compliance. The Board concluded that the nature and extent of the services provided by IICO and each Subadviser were appropriate, that the quality of those services had been consistent with quality norms in the industry and that the Funds were likely to benefit from the continued provision of those services.

Benefits from the Relationship with the Funds

The Board next discussed whether IICO or any Subadviser derives any other direct or indirect benefit from serving the Funds. In that regard, the Board discussed the transfer agency/shareholder servicing fees that Waddell & Reed Services Company, an affiliate of IICO, provides the Funds. The Board took note of the caps that management previously had agreed to on shareholder servicing costs. The Board also considered the benefits that accrue to each service provider organization from its respective relationship with the Funds, including the fact that a variety of services are provided by affiliates of IICO, including distribution, administrative and Fund accounting services, and, as discussed above, shareholder servicing. After full consideration of these and other factors, the Board concluded that none of IICO, any Subadviser or any of their affiliates receives any additional direct or indirect benefits that would preclude the Board from approving the continuation of the Management Agreement with IICO or any Investment Subadvisory Agreement with a Subadviser.

Economies of Scale

The Board discussed whether economies of scale are being realized by the Funds and whether fee levels reflect those economies of scale for the benefit of the Funds' shareholders. The Board considered the fact that as a Fund's assets have grown, the expenses of that Fund generally have fallen, although the Board took into account that the overall assets of the Funds have fallen during the prior year. Additionally, in that regard, the Board considered the significant number of initiatives that IICO is undertaking to seek to rationalize the fund complex, reduce expenses and enhance performance.

Performance of the Funds and Costs of Services Provided

The Board considered the performance of each Fund and the costs of the services provided, focusing in particular on a number of Funds that the independent fee consultant had identified. Specifically, the Board examined the investment performance of each Fund, including the percentile ranking of each Fund over various periods of time. The Board also examined the performance of each Fund against its respective Lipper index for the same periods. After extensively reviewing all of the performance information provided, the Board concluded that the Funds' performance in each asset class was acceptable. Although the performance of some of the focus Funds identified by the independent fee consultant lagged that of their peers or respective Lipper index, the Board recognized that IICO, or the applicable Subadviser, had taken, or was taking, steps to address that underperformance, and determined to continue to monitor closely the performance of those Funds.

The Board also considered the expenses and expense ratio of each Fund, and the expense limitation and fee reduction arrangements entered into by IICO in light of the services provided by IICO and each Subadviser. The Board also compared each Fund's expenses, including advisory, distribution and shareholder servicing fees, with the expenses and advisory fees of other investment advisers managing similarly situated funds, as well as the advisory fees that IICO (or an affiliate) charges for providing advisory services to other accounts in the same asset class for certain Funds. In that regard, the Board noted that IICO performs significant additional services for the Funds as compared to those other accounts. The Board also took into account the information on IICO's profitability in managing the Funds, including the methodology used to calculate profitability. The Board finally considered the amount of assets in each Fund, each Fund's average account size and how those factors affect the Funds' expense ratios, noting that, as the Funds' assets have increased or decreased over time, the expense ratios of the Funds generally have fallen or risen, respectively. After completing this examination, the Board concluded that each Fund's expenses are appropriate at the current time.

Independent Fee Consultant Review

Independent legal counsel, on behalf of the Independent Trustees, engaged an independent fee consultant to assist them in evaluating the reasonableness of the management fees charged by IICO to the Funds. The independent fee consultant's review addressed the following fee-related factors:

1. The nature, extent and quality of IICO's services to the Funds;
2. Management fees and expenses in the context of performance;

3. Product category expenses, including peers;
4. Profit margins of IICO's parent from supplying such services;
5. Subadviser and institutional fee analyses; and
6. Possible economies of scale as a Fund grows larger.

The following summarizes the findings of the independent fee consultant retained by the Independent Trustees.

Summary Findings

The report stated that IICO delivered reasonable levels of performance in the longer-term periods and reasonable levels of service to the Funds in relation to its management fees as compared to the investment advisers of comparable funds. For the 36 months ended March 31, 2018, approximately 15% of the Funds were in the top quartile of performance and 33% of the Funds were in the top two quartiles of performance and that short-term performance of such Funds were showing signs of improvement. Specifically, the report noted that 49% of the Funds were in the top two quartiles in the one-year period, and that 31% of all such Funds had improving performance in their one-year period. The independent fee consultant noted that the Funds' performance appeared to be grounded in a number of institutional competitive advantages at IICO including economic analysis, investment management depth, ability to attract top talent, strategic vision, performance-focused culture, and an effective trading infrastructure.

The report further indicated that total expenses of the Funds, on average, were 4% below the average total expenses of their respective Broadridge Expense Group peers and flat compared to the average total expenses for their Broadridge Expense Universes. The management fees for the Funds were 4% over the average management fees of their respective Broadridge Expense Group peers and 6% over the average management fees for their Broadridge Expense Universes.

The report also stated that the management fees IICO charges to the Funds are reasonable in relation to the management fees it charges to its institutional account clients. The report noted that these institutional account clients have different service and infrastructure needs and in addition, the average spread between management fees IICO charged to the Funds and those it charges to institutional account clients is reasonable relative to the average fee spreads computed from industry surveys.

The report stated that while it was difficult to confirm overall economies of scale, it was clear that the Funds' shareholders generally are benefitting from lower expenses as the Funds' assets grow through management fee breakpoints, decline in transfer agency expenses, decline in custody contract rates and declines in other non-management expenses.

The report also noted that the overall profitability of IICO's parent relative to other complexes is reasonable. Finally, the report noted that IICO has continued to invest in AUM growth, which is designed to help drive down fund expenses and attract top investment management talent, as well as in fund mergers, which could help drive down expenses, both of which can benefit the Funds' investors.

Finally, the report also examined the fees that IICO retains on Funds that are subadvised by unaffiliated Subadvisers, and indicated that those fees are reasonable relative to the industry. The report also stated that the subadvisory fees that IICO earns for serving as a subadviser to an unaffiliated fund when compared to fees of similar Funds likewise are reasonable relative to the industry.

Conclusions

The independent fee consultant's report concluded that it believes that the services provided by IICO and its affiliates and expenses incurred by the Funds in the previous 12 months are reasonable and provide adequate justification for renewal of the Funds' existing Agreements.

(UNAUDITED)

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

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 affect 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, IDI 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, IDI 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.

(UNAUDITED)

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 Investments' website at www.ivyinvestments.com and on the SEC's website at www.sec.gov.

QUARTERLY PORTFOLIO SCHEDULE INFORMATION

Portfolio holdings can be found on the Trust's website at www.ivyinvestments.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

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:

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 Accumulative Fund
Ivy Core Equity 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 Core Fund
Ivy Small Cap Growth Fund
Ivy Tax-Managed Equity Fund
Ivy Value Fund

Global/International Funds

Ivy Emerging Markets Equity Fund
Ivy European Opportunities Fund
Ivy Global Equity Income Fund
Ivy Global Growth Fund
Ivy Global Income Allocation Fund
Ivy IG International Small Cap Fund
Ivy International Core Equity Fund
Ivy Managed International Opportunities Fund
Ivy Pictet Emerging Markets Local Currency Debt Fund
Ivy Pzena International Value Fund

Index Funds

Ivy ProShares S&P 500 Dividend Aristocrats Index Fund
Ivy ProShares Russell 2000 Dividend Growers Index Fund
Ivy ProShares Interest Rate Hedged High Yield Index Fund
Ivy ProShares S&P 500 Bond Index Fund
Ivy ProShares MSCI ACWI Index Fund

Speciality Funds

Ivy Apollo Multi-Asset Income Fund
Ivy Asset Strategy Fund
Ivy Balanced Fund
Ivy Energy Fund
Ivy LaSalle Global Real Estate Fund
Ivy LaSalle Global Risk-Managed Real Estate Fund
Ivy Natural Resources Fund
Ivy Science and Technology Fund
Ivy Securian Real Estate Securities Fund
Ivy Wilshire Global Allocation Fund

Fixed Income Funds

Ivy Apollo Strategic Income Fund
Ivy California Municipal High Income Fund
Ivy Corporate Bond Fund
Ivy Crossover Credit Fund
Ivy Global Bond Fund
Ivy Government Securities Fund
Ivy High Income Fund
Ivy Limited-Term Bond Fund
Ivy Municipal Bond Fund
Ivy Municipal High Income Fund
Ivy Pictet Targeted Return Bond Fund
Ivy PineBridge High Yield Fund
Ivy Securian Core Bond Fund

Money Market Funds

Ivy Cash Management Fund
Ivy Government Money Market Fund

1.800.777.6472

Visit us online at www.ivyinvestments.com

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

Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of a mutual fund. This and other important information is contained in the prospectus and summary prospectus, which may be obtained at www.ivyinvestments.com or from a financial advisor. Read it carefully before investing.



Annual Report

SEPTEMBER 30, 2018

IVY FUNDS

Ivy ProShares Interest Rate Hedged High Yield Index Fund
Ivy ProShares MSCI ACWI Index Fund
Ivy ProShares Russell 2000 Dividend Growers Index Fund
Ivy ProShares S&P 500 Bond Index Fund
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund

Class A	Class E	Ticker		
		Class I	Class N	Class R
IAIRX	IIREX	IIIRX	IIRNX	IIRRX
IMWAX	IMWEX	IMWIX	IMCNX	IMCRX
IRUAX	IRUEX	IRUIX	IRUNX	IRURX
IAPRX	IPREX	IPRIX	IPRNX	IPRRX
IDAAX	IDAEX	IDAIX	IDANX	IDARX

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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.



Philip J. Sanders, CFA

SEPTEMBER 30, 2018 (UNAUDITED)

Dear Shareholder,

While most of the fiscal year remained relatively calm, market volatility returned toward the end of the period. As 2018 progressed, trade disputes, geopolitical tensions and uncertain global growth rates provided a choppy ride for investors.

Economic growth is poised to finish 2018 on solid footing, as global inflation remains somewhat tepid. We believe global gross domestic product (GDP) is on track for a 3.7% growth rate in 2018, taking into account some minor downward revisions to our forecast because of isolated emerging market weakness.

The U.S. continues to provide a strong foundation across the global economic stage. Domestic capital expenditures (capex) are solid and small business confidence is at an all-time high. In addition, consumer spending has held up well despite higher gasoline prices. We believe the U.S. growth rate will average around 3% annualized in 2018.

The deterioration in eurozone economic data seems to be waning following an agreement between the U.S. and European Union (EU) to discuss a reduction in tariffs on industrial goods. Brexit negotiations between the U.K. and EU continue to be choppy, which has caused some delays in anticipated capex spending for the eurozone. While we believe the two parties will come to a resolution for the U.K.'s exit from the EU prior to the March 2019 deadline, the ongoing negotiations may cause lingering economic tumult until a deal can be reached. We expect eurozone GDP growth at an average annual rate around 2% in 2018.

While the European Central Bank reduced the amount of its asset purchases during the third quarter, it has committed to keeping rates low for an extended period. We think that decision is likely to continue to support the EU economy. In addition, the Bank of England recently raised interest rates and we think it is set to continue increasing rates gradually, barring any unforeseen Brexit issues.

Much attention of late has been focused on emerging markets. China's economy has been weaker because of a combination of deleveraging and the institution of new pollution controls on select industries. These factors, coupled with concerns about an escalating trade war with the U.S., have pushed China's policymakers to begin to ease policy. We believe recent announcements of tax cuts and increased infrastructure spending in addition to lower interest rates will stabilize China's economy during the fourth quarter.

Currency crises plagued Turkey and Argentina throughout the third quarter, which sent tremors through other emerging market economies, including South Africa. Emerging markets continue to face headwinds from longer term fundamental outlook; the international trade uncertainty and a strong U.S. dollar. We believe emerging markets continue to offer a

sound longer term fundamental outlook; however, market volatility is likely to persist until there is more clarity surrounding potential risks.

Overall, expanding valuations and corporate earnings growth have been key drivers in the equity markets. We believe continued earnings growth will need to carry more of the burden going forward. We see potential catalysts for growth in several areas and industries and our team continues to seek investment opportunities around the globe.

We remain attuned to a range of risks investors may face in the current environment, and believe it is important to stay focused on the fundamentals and merits of individual market sectors, industries and companies when making investment decisions. Those fundamentals historically have tended to outweigh external factors such as government policies and regulations. While those can affect every business and investor, we think the innovation and management skill within individual companies ultimately drive long-term stock prices.

Economic Snapshot

	9/30/2018	9/30/2017
S&P 500 Index	2,913.98	2,519.36
MSCI EAFE Index	1,973.60	1,973.81
10-Year Treasury Yield	3.05%	2.33%
U.S. unemployment rate	3.7%	4.2%
30-year fixed mortgage rate	4.72%	3.83%
Oil price per barrel	\$ 73.25	\$ 51.67

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,

Philip J. Sanders, 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.

(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, exchange fees and account 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 September 30, 2018.

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 shares, if your Fund account balance

is below \$650 on the Friday prior to the last full 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), exchange fees or account 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 5 to the Financial Statements for further information.

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	
Ivy ProShares Interest Rate Hedged High Yield Index Fund							
Class A	\$1,000	\$1,048.70	\$ 4.61	\$1,000	\$1,020.55	\$4.55	0.90%
Class E	\$1,000	\$1,048.70	\$ 4.61	\$1,000	\$1,020.55	\$4.55	0.90%
Class I	\$1,000	\$1,050.10	\$3.38	\$1,000	\$ 1,021.81	\$3.34	0.65%
Class N	\$1,000	\$1,050.10	\$3.38	\$1,000	\$ 1,021.81	\$3.34	0.65%
Class R	\$1,000	\$1,046.40	\$7.06	\$1,000	\$ 1,018.16	\$6.96	1.37%

See footnotes on page 5.

ILLUSTRATION OF FUND EXPENSES

IVY FUNDS

(UNAUDITED)

Fund	Actual ⁽¹⁾			Hypothetical ⁽²⁾			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	Beginning Account Value 3-31-18	Ending Account Value 9-30-18	Expenses Paid During Period*	
Ivy ProShares MSCI ACWI Index Fund							
Class A	\$1,000	\$1,045.00	\$4.60	\$1,000	\$1,020.55	\$4.55	0.90%
Class E	\$1,000	\$1,045.70	\$3.89	\$1,000	\$1,021.31	\$3.84	0.75%
Class I	\$1,000	\$1,046.30	\$3.38	\$1,000	\$1,021.81	\$3.34	0.65%
Class N	\$1,000	\$1,046.30	\$3.38	\$1,000	\$1,021.81	\$3.34	0.65%
Class R	\$1,000	\$1,042.40	\$7.15	\$1,000	\$1,018.05	\$7.06	1.40%
Ivy ProShares Russell 2000 Dividend Growers Index Fund							
Class A	\$1,000	\$1,107.30	\$4.74	\$1,000	\$1,020.56	\$4.55	0.90%
Class E	\$1,000	\$1,108.00	\$4.11	\$1,000	\$1,021.18	\$3.94	0.78% ⁽³⁾
Class I	\$1,000	\$1,108.60	\$3.48	\$1,000	\$1,021.81	\$3.34	0.65%
Class N	\$1,000	\$1,108.60	\$3.48	\$1,000	\$1,021.81	\$3.34	0.65%
Class R	\$1,000	\$1,104.60	\$7.37	\$1,000	\$1,018.05	\$7.06	1.40%
Ivy ProShares S&P 500 Bond Index Fund							
Class A	\$1,000	\$998.40	\$3.30	\$1,000	\$1,021.81	\$3.34	0.65%
Class E	\$1,000	\$998.70	\$3.00	\$1,000	\$1,022.06	\$3.03	0.60%
Class I	\$1,000	\$999.60	\$2.00	\$1,000	\$1,023.06	\$2.02	0.40%
Class N	\$1,000	\$999.60	\$2.00	\$1,000	\$1,023.06	\$2.02	0.40%
Class R	\$1,000	\$995.80	\$5.79	\$1,000	\$1,019.29	\$5.86	1.15%
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund							
Class A	\$1,000	\$1,084.80	\$3.96	\$1,000	\$1,021.31	\$3.84	0.75%
Class E	\$1,000	\$1,084.80	\$3.96	\$1,000	\$1,021.31	\$3.84	0.75%
Class I	\$1,000	\$1,086.10	\$2.61	\$1,000	\$1,022.56	\$2.53	0.50%
Class N	\$1,000	\$1,085.10	\$2.50	\$1,000	\$1,022.63	\$2.43	0.50%
Class R	\$1,000	\$1,081.20	\$6.45	\$1,000	\$1,018.85	\$6.26	1.24%

*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 183 days in the six-month period ended September 30, 2018, and divided by 365.

(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) Reflects the lower expense limit which went into effect July 31, 2018.

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

MANAGEMENT DISCUSSION

Ivy ProShares Index Funds

(UNAUDITED)

Investment strategies and techniques

Each Ivy ProShares Fund (each, a “Fund” and collectively, the “Funds”) are designed to match, before fees and expenses, the performance of an underlying index both on a single day and over time bases. ProShare Advisors LLC, (ProShares) the Funds’ investment sub-adviser, uses a passive approach in seeking to achieve the investment objective of each Fund. Each Fund attempts to achieve its investment objective by investing substantially all of its assets in investments that make up its underlying index or in financial instruments that ProShares believes are likely to simulate movements in each Fund’s index. Using this approach, ProShares determines the type, quantity and mix of investment positions that a Fund should hold to track the performance of its index.

As index funds, the Funds are “passively managed.” This means that when managing the Funds, ProShares does not invest the assets of the Funds in securities or financial instruments based on its view of the investment merit of a particular security, instrument, or company. In addition, ProShares does not conduct conventional investment research or analysis; forecast market movements, trends or market conditions; or take defensive positions in managing assets of the Funds.

The Funds may not be able to replicate exposure to their respective index and may employ various techniques that ProShares believes should, when combined with other investment management techniques, help simulate the movement of each Fund’s index. Each Fund also may make use of investment techniques to track its index, including the use of swap agreements, credit default swaps, futures contracts, forward contracts, and similar instruments (collectively, “derivatives”). Funds using these techniques are exposed to risks different from, or possibly greater than, the risks associated with investing directly in securities, including one or more of the following: counterparty risk (i.e., the risk that a counterparty is unable or unwilling to make timely payments) on the amount the Fund expects to receive from a derivatives counterparty, liquidity risk (i.e., the ability of a Fund to acquire or dispose of certain holdings quickly or at prices that represent true market value in the judgment of ProShares), and increased correlation risk (i.e., the Fund’s ability to achieve a high degree of correlation with its index). If a counterparty becomes bankrupt, or fails to perform its obligations, the value of an investment in the Fund may decline. With respect to swaps and forward contracts, the Funds seek to mitigate these risks by generally requiring derivatives counterparties to post collateral for the benefit of each Fund, marked to market daily, in an amount approximately equal to the amount the counterparty owes the Fund, subject to certain minimum thresholds. The Funds primarily enter into derivatives with counterparties that are major global financial institutions. Any costs associated with using derivatives will have the effect of lowering the Fund’s return.

Factors that Materially Affected the Performance of Each Fund during the Year Ending September 30, 2018

Primary factors affecting the Funds’ performance for the fiscal year ending September 30, 2018, before fees and expenses, include the following: transaction costs to purchase and sell underlying securities within an index, the total return of the securities and any derivatives held by the Funds, including the performance of the reference assets to which any derivatives are linked; financing rates paid or earned by the Funds associated with cash and, in certain cases, derivative positions; stock dividends, premiums and bond yields paid or earned by the Funds (including those included in the total return of derivatives contracts); the types of derivative contracts (if any) used by the Funds and their correlation to the relevant index; and other miscellaneous factors.

Index Performance: The performance of each Fund’s index and, in turn, the factors and market conditions affecting that index are principal factors driving Fund performance.

Financing Rates Associated with Derivatives: The performance of Funds that use derivatives may be impacted by the related financing costs. Instruments such as futures carry implied financing costs. Forward and swap financing rates are negotiated between the Funds and their counterparties, and are typically set at the one-week/one-month London Interbank Offered Rate (“LIBOR”) plus or minus a negotiated spread. Each Fund with long exposure via derivatives was generally negatively affected by financing rates. Conversely, most Funds with short derivative exposure generally benefited from financing rates. However, in low interest rate environments, LIBOR adjusted by the spread may actually result in a Fund with short exposure also being negatively affected by financing rates.

Stock Dividends and Bond Yields: The performance of Funds that provide long exposure was positively impacted by capturing the dividend, premium or income yield of the underlying assets to which they have exposure. The performance of Funds was negatively impacted by virtue of effectively having to pay out the dividend, premium or income yield (or a multiple thereof, as applicable) associated with the assets to which they have short exposure.

Fees, Expenses, and Transaction Costs: Fees and expenses are listed in the financial statements of each Fund and may generally be higher and thus have a more negative impact on performance than compared to many traditional index-based

funds. Transaction costs are not reflected in the Funds' expense ratio. Transaction costs are generally higher for Funds whose indexes are more volatile, that invest in foreign securities, and for Funds that hold or have exposure to assets that are comparatively less liquid than other Funds.

Miscellaneous factors: Each Fund holds a mix of securities and/or derivatives that is designed to provide returns that seek to achieve its investment objective. Certain Funds may obtain exposure to only a representative sample of the securities of their index and may not have investment exposure to all securities of the index or may have weightings that are different from that of its index. Certain Funds may also obtain exposure to securities not contained in the relevant index or in financial instruments.

Fund Management Teams

Ivy ProShares S&P 500 Dividend Aristocrats Index Fund; Ivy ProShares Russell 2000 Dividend Growers Index Fund

Michael Neches and Devin Sullivan have been jointly responsible for the day-to-day management the Ivy ProShares S&P 500 Dividend Aristocrats Index Fund and Ivy ProShares Russell 2000 Dividend Growers Index Fund since the Funds' inception in 2017.

Ivy ProShares Interest Rate Hedged High Yield Index Fund; Ivy ProShares S&P 500 Bond Index Fund

Jeffrey Ploshnick and Benjamin McAbee have been jointly responsible for the day-to-day management the Ivy ProShares Interest Rate Hedged High Yield Index Fund and Ivy ProShares S&P 500 Bond Index Fund since the Funds' inception in 2017.

Ivy ProShares MSCI ACWI Index Fund

Alexander Ilyasov and Scott Hanson have been jointly responsible for the day-to-day management the Ivy ProShares MSCI ACWI Index Fund since its inception in 2017.

Fiscal Year Performance

For the Period Ended September 30, 2018

Ivy ProShares S&P 500 Dividend Aristocrats Index Fund (Class A shares at net asset value)	14.29%
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund (Class A shares including sales load)	11.45%
Benchmark(s) and/or Lipper Category	
S&P 500 Dividend Aristocrats Index Fund (generally reflects the performance of large-cap companies that have increased dividends every year for the last 25 consecutive years)	15.30%
Lipper Multi-Cap Core Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	14.05%
Ivy ProShares Russell 2000 Dividend Growers Index Fund (Class A shares at net asset value)	6.52%
Ivy ProShares Russell 2000 Dividend Growers Index Fund (Class A shares including sales load)	3.84%
Benchmark(s) and/or Lipper Category	
Russell 2000 Dividend Growth Index (generally reflects the performance of small-cap companies that have increased dividends every year for the last 10 consecutive years)	7.60%
Lipper Small-Cap Core Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	11.97%
Ivy ProShares MSCI ACWI Index Fund (Class A shares at net asset value)	9.27%
Ivy ProShares MSCI ACWI Index Fund (Class A shares including sales load)	6.54%

Benchmark(s) and/or Lipper Category

MSCI ACWI Index (generally reflects the performance of developed and emerging-market equities)	9.77%
Lipper Global Large-Cap Core Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	7.28%
Ivy ProShares Interest Rate Hedged High Yield Index Fund (Class A shares at net asset value)	5.21%
Ivy ProShares Interest Rate Hedged High Yield Index Fund (Class A shares including sales load)	2.56%

Benchmark(s) and/or Lipper Category

FTSE High Yield (Treasury Rate-Hedged) Index (generally reflects the performance of high yield debt issued by companies domiciled in the U.S. or Canada)	6.58%
Lipper High Yield Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	2.27%
Ivy ProShares S&P 500 Bond Index Fund (Class A shares at net asset value)	-2.26%
Ivy ProShares S&P 500 Bond Index Fund (Class A shares including sales load)	-4.72%

Benchmark(s) and/or Lipper Category

S&P 500/MarketAxess Investment Grade Corporate Bond Index (generally reflects the performance of high yield debt issued by companies domiciled in the U.S. or Canada)	-1.24%
Lipper Core Bond Funds Universe Average (generally reflects the performance of the universe of funds with similar investment objectives)	-1.23%

Please note that Fund returns include applicable fees and expenses while index returns do not include any such fees.

Performance shown at net asset value (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 Funds' shares will change, and you could lose money on your investment.

For Ivy ProShares MSCI ACWI Index Fund, 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.

For Ivy ProShares S&P 500 Bond Index Fund, fixed-income securities are subject to interest rate risk and, as such, the Fund's NAV may fall as interest rates rise. These and other risks are more fully described in the Fund's prospectus.

For Ivy ProShares Interest Rate Hedged High Yield Index Fund, the use of derivatives presents several risks including the risk that fluctuation 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. Moreover, some derivatives are more sensitive to interest rate changes and market fluctuations than others, and the risk of loss may be greater than if the derivative technique(s) had not been used. Derivatives also may be subject to counterparty risk, which includes the risk that a loss may be sustained by the Fund as a result of the insolvency or bankruptcy of, or other non-compliance by, another party to the transaction. These and other risks are more fully described in the Fund's prospectus.

The opinions expressed in this report are those of the Funds' 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, includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of the Ivy ProShares Funds.

PORTFOLIO HIGHLIGHTS

IVY PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX FUND

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	96.0%
Corporate Debt Securities	96.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	4.0%

Quality Weightings

Non-Investment Grade	96.0%
BB	29.3%
B	48.4%
CCC	17.4%
Below CCC	0.9%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	4.0%

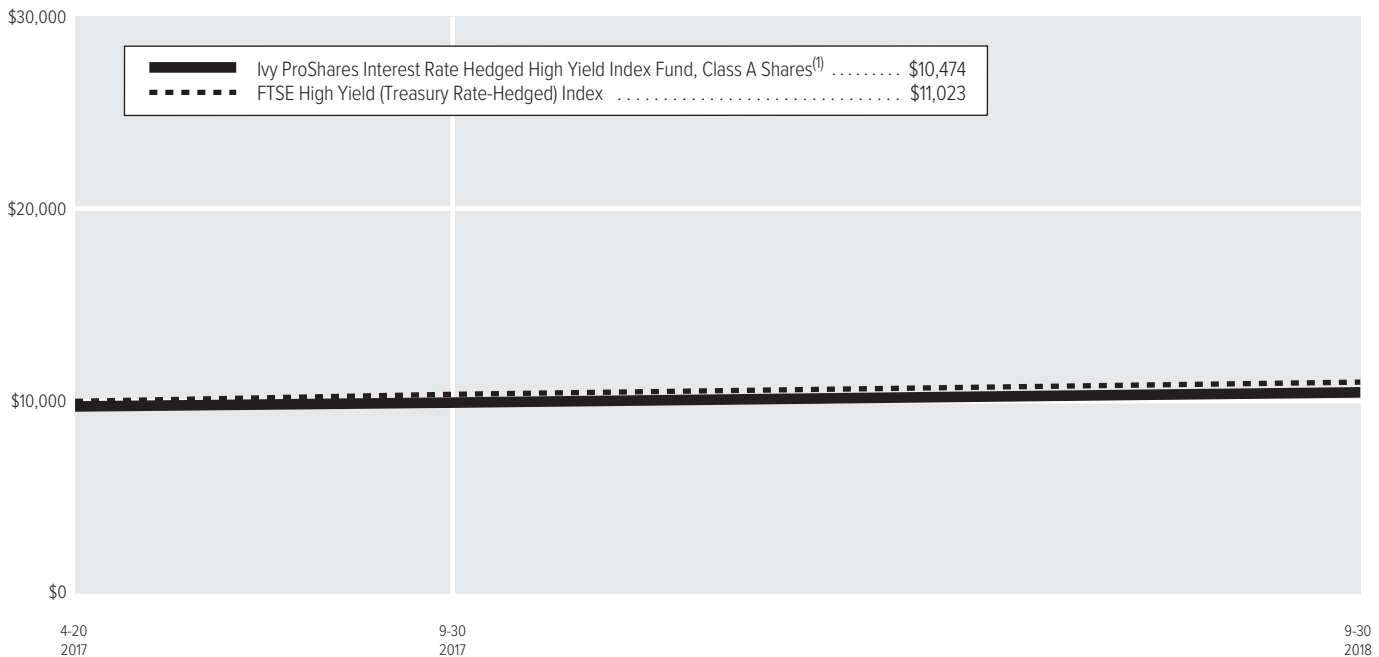
Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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 PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX 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 E	Class I	Class N	Class R
1-year period ended 9-30-18	2.56%	2.56%	5.48%	5.48%	4.70%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	3.26%	3.26%	5.36%	5.36%	4.62%

(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.ivyinvestments.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 I, Class N and Class R 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) 4-20-17 for Class A shares, 4-20-17 for Class E shares, 4-20-17 for Class I shares, 4-20-17 for Class N shares and 4-20-17 for Class R 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 IVY PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES	Principal	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Consumer Discretionary			Hotels, Resorts & Cruise Lines – 0.5%			Food Retail – 1.0%		
Automobile Manufacturers – 0.6%			Hilton Domestic Operating Co., Inc.,			Albertsons Cos. LLC, Safeway, Inc.,		
Tesla, Inc. (GTD by SolarCity Corp.),			5.125%, 5–1–26 (A)	\$250	\$ 248	New Albertson's, Inc. and		
5.3000%, 8–15–25 (A)	\$350	\$ 295				Albertson's LLC:		
			Internet & Direct Marketing Retail – 2.0%			6.625%, 6–15–24	\$200	\$ 192
Automotive Retail – 0.4%			Argos Merger Sub, Inc.,			5.750%, 3–15–25	275	246
Allison Transmission, Inc.,			7.125%, 3–15–23 (A)	330	237			438
5.0000%, 10–1–24 (A)	165	164	Netflix, Inc.:					
			4.875%, 4–15–28 (A)	580	545	Packaged Foods & Meats – 1.8%		
Broadcasting – 2.6%			5.875%, 11–15–28 (A)	118	118	Pilgrim's Pride Corp.,		
AMC Networks, Inc.,					900	5.750%, 3–15–25 (A)	200	193
5.0000%, 4–1–24	250	246	Leisure Facilities – 0.3%			Post Holdings, Inc.:		
Sirius XM Radio, Inc.:			Six Flags Entertainment Corp.,			5.0000%, 8–15–26 (A)	364	344
6.0000%, 7–15–24 (A)	290	301	4.875%, 7–31–24 (A)	150	147	5.750%, 3–1–27 (A)	270	265
5.0000%, 8–1–27 (A)	335	323						802
Univision Communications, Inc.,			Leisure Products – 0.5%			Total Consumer Staples – 3.3%		1,487
5.125%, 2–15–25 (A)	350	327	Mattel, Inc.,			Energy		
		1,197	6.750%, 12–31–25 (A)	240	235	Coal & Consumable Fuels – 0.5%		
Cable & Satellite – 4.9%						CONSOL Energy, Inc.,		
CCO Holdings LLC and CCO Holdings			Publishing – 0.7%			5.875%, 4–15–22	224	224
Capital Corp.:			Meredith Corp.,					
5.125%, 5–1–27 (A)	581	551	6.875%, 2–1–26 (A)	300	308	Oil & Gas Drilling – 1.2%		
5.0000%, 2–1–28 (A)	370	348				Ensco plc:		
DISH DBS Corp.:			Restaurants – 2.8%			7.750%, 2–1–26	150	149
5.875%, 11–15–24	376	338	1011778 B.C. Unlimited Liability Co.			5.750%, 10–1–44	293	219
7.750%, 7–1–26	375	355	and New Red Finance, Inc.:			Transocean, Inc.,		
Neptune Finco Corp.:			4.250%, 5–15–24 (A)	311	295	9.0000%, 7–15–23 (A)	180	196
10.125%, 1–15–23 (A)	400	438	5.0000%, 10–15–25 (A)	466	446			564
10.875%, 10–15–25 (A)	200	232	Aramark Services, Inc. (GTD by			Oil & Gas Equipment & Services – 0.9%		
		2,262	Aramark Corp.),			Brand Energy & Infrastructure		
Casinos & Gaming – 4.9%			5.0000%, 2–1–28 (A)	210	206	Services, Inc.,		
CRC Escrow Issuer LLC and CRC			KFC Holding Co., Pizza Hut Holdings			8.5000%, 7–15–25 (A)	210	216
Finco, Inc.,			LLC and Taco Bell of America LLC,			McDermott Escrow 1, Inc. and		
5.2500%, 10–15–25 (A)	300	286	5.0000%, 6–1–24 (A)	350	347	McDermott Escrow 2, Inc.,		
ESH Hospitality, Inc.,					1,294	10.625%, 5–1–24 (A)	200	214
5.2500%, 5–1–25 (A)	190	184	Specialized Consumer Services – 1.0%					430
Golden Nugget, Inc.,			Nielsen Finance LLC and Nielsen			Oil & Gas Exploration & Production – 5.9%		
6.7500%, 10–15–24 (A)	305	309	Finance Co.,			Antero Resources Corp.:		
MGM Growth Properties Operating			5.0000%, 4–15–22 (A)	463	452	5.375%, 11–1–21	290	294
Partnership L.P. and MGP Finance			Specialty Stores – 1.0%			5.125%, 12–1–22	100	101
Co-Issuer, Inc.,			Arch Merger Sub, Inc.,			Ascent Resources Utica Holdings LLC		
5.625%, 5–1–24	210	215	8.5000%, 9–15–25 (A)	220	207	and ARU Finance Corp. (GTD by		
MGM Resorts International,			PetSmart, Inc.,			Ascent Resources - Utica LLC),		
6.0000%, 3–15–23	269	279	5.875%, 6–1–25 (A)	293	240	10.0000%, 4–1–22 (A)	313	353
Scientific Games International, Inc.					447	California Resources Corp.,		
(GTD by Scientific Games Corp.),			Tires & Rubber – 0.4%			8.0000%, 12–15–22 (A)	358	341
10.0000%, 12–1–22	644	682	Goodyear Tire & Rubber Co. (The),			Chesapeake Energy Corp.:		
Wynn Las Vegas LLC and Wynn Las			5.125%, 11–15–23	200	200	8.0000%, 12–15–22 (A)	320	335
Vegas Capital Corp.,						8.0000%, 6–15–27	227	232
5.5000%, 3–1–25 (A)	280	271	Total Consumer Discretionary – 22.9%		10,491	Crownrock L.P.,		
		2,226	Consumer Staples			5.625%, 10–15–25 (A)	210	206
Consumer Electronics – 0.3%			Drug Retail – 0.5%			Jupiter Resources, Inc.,		
Spectrum Brands, Inc. (GTD by SB/RH			Rite Aid Corp.,			8.5000%, 10–1–22 (A)	273	131
Holdings),			6.125%, 4–1–23 (A)	275	247	MEG Energy Corp.,		
5.7500%, 7–15–25	115	116				7.0000%, 3–31–24 (A)	150	137

SCHEDULE OF IVY PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Oil & Gas Exploration & Production (Continued)		
Sanchez Energy Corp., 6.125%, 1-15-23	\$265	\$ 152
Southwestern Energy Co., 6.700%, 1-23-25 (B)	100	99
Targa Resources Partners L.P., 5.875%, 4-15-26 (A)	290	299
		<u>2,680</u>
Oil & Gas Refining & Marketing – 0.6%		
EP Energy LLC and Everest Acquisition Finance, Inc.: 9.375%, 5-1-24 (A)	150	124
7.750%, 5-15-26 (A)	150	153
		<u>277</u>
Oil & Gas Storage & Transportation – 3.7%		
Cheniere Corpus Christi Holdings LLC: 5.875%, 3-31-25	264	277
5.125%, 6-30-27	280	281
CITGO Holding, Inc., 10.750%, 2-15-20 (A)	394	418
Energy Transfer Equity L.P.: 4.250%, 3-15-23	290	288
5.875%, 1-15-24	165	174
Sunoco GP LLC, Sunoco L.P. and Sunoco Finance Corp., 4.875%, 1-15-23 (A)	250	247
		<u>1,685</u>
Total Energy – 12.8%		5,860
Financials		
Consumer Finance – 2.2%		
Ally Financial, Inc., 5.750%, 11-20-25	164	169
Quicken Loans, Inc.: 5.750%, 5-1-25 (A)	150	150
5.250%, 1-15-28 (A)	220	204
Springleaf Finance Corp.: 6.875%, 3-15-25	250	250
7.125%, 3-15-26	250	250
		<u>1,023</u>
Other Diversified Financial Services – 1.1%		
Icahn Enterprises L.P. and Icahn Enterprises Finance Corp.: 5.875%, 2-1-22	325	329
6.250%, 2-1-22	150	154
		<u>483</u>
Property & Casualty Insurance – 0.5%		
Hub International Ltd., 7.000%, 5-1-26 (A)	250	250
		<u></u>
Specialized Finance – 2.0%		
Diamond 1 Finance Corp. and Diamond 2 Finance Corp.: 5.875%, 6-15-21 (A)	281	289
7.125%, 6-15-24 (A)	320	344

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Specialized Finance (Continued)		
Navient Corp., 6.500%, 6-15-22	\$250	\$ 260
		<u>893</u>
Total Financials – 5.8%		2,649
Health Care		
Health Care Equipment – 0.4%		
DJO Finco, Inc. and DJO Finance LLC, 8.125%, 6-15-21 (A)	200	204
		<u></u>
Health Care Facilities – 7.8%		
AmSurg Escrow Corp., 5.625%, 7-15-22	196	201
Community Health Systems, Inc., 6.250%, 3-31-23	689	655
DaVita HealthCare Partners, Inc.: 5.125%, 7-15-24	250	241
5.000%, 5-1-25	403	387
FWCT-2 Escrow Corp., 6.875%, 2-1-22	300	168
HCA, Inc. (GTD by HCA Holdings, Inc.): 5.375%, 2-1-25	200	204
5.875%, 2-15-26	505	526
LifePoint Health, Inc., 5.500%, 12-1-21	229	233
MPH Acquisition Holdings LLC, 7.125%, 6-1-24 (A)	261	271
Tenet Healthcare Corp., 4.625%, 7-15-24	300	292
THC Escrow Corp. II, 6.750%, 6-15-23	390	389
		<u>3,567</u>
Health Care Supplies – 1.0%		
Ortho-Clinical Diagnostics, 6.625%, 5-15-22 (A)	200	196
WellCare Health Plans, Inc., 5.250%, 4-1-25	270	274
		<u>470</u>
Health Care Technology – 0.7%		
Change Healthcare Holdings, Inc., 5.750%, 3-1-25 (A)	165	164
Versend Holding Corp., 9.750%, 8-15-26 (A)	150	154
		<u>318</u>
Life Sciences Tools & Services – 1.5%		
Avantor, Inc.: 6.000%, 10-1-24 (A)	300	305
9.000%, 10-1-25 (A)	390	402
		<u>707</u>
Managed Health Care – 1.4%		
Centene Escrow Corp., 5.625%, 2-15-21	235	239

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Managed Health Care (Continued)		
Centene Escrow I Corp., 5.375%, 6-1-26 (A)	\$370	\$ 379
		<u>618</u>
Pharmaceuticals – 4.0%		
Endo Designed Activity Co., Endo Finance LLC and Endo Finco, Inc., 6.000%, 2-1-25 (A)	200	172
Endo Ltd., Endo Finance LLC and Endo Finco, Inc., 6.000%, 7-15-23 (A)	400	355
IMS Health, Inc., 5.000%, 10-15-26 (A)	200	196
Jaguar Holding Co. II and Pharmaceutical Product Development LLC, 6.375%, 8-1-23 (A)	252	254
VRX Escrow Corp.: 5.875%, 5-15-23 (A)	532	517
6.125%, 4-15-25 (A)	345	328
		<u>1,822</u>
Total Health Care – 16.8%		7,706
Industrials		
Aerospace & Defense – 3.0%		
Bombardier, Inc.: 8.750%, 12-1-21 (A)	270	299
7.500%, 3-15-25 (A)	261	269
KLX, Inc., 5.875%, 12-1-22 (A)	270	279
TransDigm, Inc. (GTD by TransDigm Group, Inc.): 6.000%, 7-15-22	150	153
6.500%, 7-15-24	340	348
		<u>1,348</u>
Air Freight & Logistics – 0.6%		
XPO Logistics, Inc., 6.500%, 6-15-22 (A)	274	283
		<u></u>
Building Products – 0.4%		
Beacon Escrow Corp., 4.875%, 11-1-25 (A)	200	184
		<u></u>
Construction Machinery & Heavy Trucks – 0.5%		
Navistar International Corp. (GTD by Navistar, Inc.), 6.625%, 11-1-25 (A)	240	250
		<u></u>
Diversified Support Services – 1.0%		
United Rentals (North America), Inc. (GTD by United Rentals, Inc.): 5.500%, 5-15-27	185	183
4.875%, 1-15-28	300	281
		<u>464</u>

SCHEDULE OF IVY PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX FUND *(in thousands)*

INVESTMENTS

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Industrial Conglomerates – 0.9%		
Griffon Corp., 5.250%, 3–1–22	\$200	\$ 198
Tribune Media Co., 5.875%, 7–15–22	205	209
		<u>407</u>
Security & Alarm Services – 1.2%		
Prime Security Services Borrower LLC, 9.250%, 5–15–23 (A)	519	555
Trading Companies & Distributors – 0.4%		
HD Supply, Inc., 5.750%, 4–15–24 (A)	160	168
Trucking – 0.9%		
BlueLine Rental Corp. and BlueLine Rental LLC, 9.250%, 3–15–24 (A)	165	173
Hertz Corp. (The), 7.625%, 6–1–22 (A)	251	248
		<u>421</u>
Total Industrials – 8.9%		4,080
Information Technology		
Application Software – 1.6%		
Infor (U.S.), Inc., 6.500%, 5–15–22	230	233
Solera LLC and Solera Finance, Inc., 10.500%, 3–1–24 (A)	425	466
		<u>699</u>
Data Processing & Outsourced Services – 2.7%		
Exela Intermediate LLC and Exela Finance, Inc., 10.000%, 7–15–23 (A)	320	341
First Data Corp.: 7.000%, 12–1–23 (A)	725	755
5.750%, 1–15–24 (A)	142	144
		<u>1,240</u>
Technology Hardware, Storage & Peripherals – 0.6%		
Inception Parent, Inc., Inception Merger Sub, Inc. and Rackspace Hosting, Inc., 8.625%, 11–15–24 (A)	295	287
Total Information Technology – 4.9%		2,226
Materials		
Aluminum – 1.1%		
Novelis Corp. (GTD by Novelis, Inc.): 6.250%, 8–15–24 (A)	170	173
5.875%, 9–30–26 (A)	316	309
		<u>482</u>

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Commodity Chemicals – 0.8%		
NOVA Chemicals Corp.: 4.875%, 6–1–24 (A)	\$ 215	\$ 207
5.250%, 6–1–27 (A)	196	182
		<u>389</u>
Diversified Chemicals – 0.5%		
PSPC Escrow Corp., 6.500%, 2–1–22 (A)	205	210
Diversified Metals & Mining – 1.3%		
Cliffs Natural Resources, Inc., 5.750%, 3–1–25	261	254
First Quantum Minerals Ltd.: 7.000%, 2–15–21 (A)	150	148
7.500%, 4–1–25 (A)	200	190
		<u>592</u>
Metal & Glass Containers – 1.9%		
Ball Corp.: 4.375%, 12–15–20	322	326
5.250%, 7–1–25	70	72
BWAY Holding Co.: 5.500%, 4–15–24 (A)	302	297
7.250%, 4–15–25 (A)	200	195
		<u>890</u>
Paper Packaging – 0.7%		
Reynolds Group Issuer, Inc., Reynolds Group Issuer LLC and Reynolds Group Issuer (Luxembourg) S.A., 5.125%, 7–15–23 (A)	320	318
Total Materials – 6.3%		2,881
Real Estate		
Industrial REITs – 0.4%		
Kennedy-Wilson, Inc. (GTD by Kennedy-Wilson Holdings, Inc.), 5.875%, 4–1–24	200	197
Real Estate Development – 0.5%		
Howard Hughes Corp., 5.375%, 3–15–25 (A)	250	247
Specialized REITs – 2.2%		
Equinix, Inc.: 5.875%, 1–15–26	141	145
5.375%, 5–15–27	300	300
Iron Mountain, Inc., 4.875%, 9–15–27 (A)	240	220
Uniti Group L.P., Uniti Group Finance, Inc. and CSL Capital LLC, 8.250%, 10–15–23	335	320
		<u>985</u>
Total Real Estate – 3.1%		1,429

CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Telecommunication Services		
Alternative Carriers – 2.0%		
CommScope Technologies LLC (GTD by CommScope, Inc.), 6.000%, 6–15–25 (A)	\$300	\$ 310
Zayo Group LLC and Zayo Capital, Inc.: 6.000%, 4–1–23	190	195
5.750%, 1–15–27 (A)	413	414
		<u>919</u>
Integrated Telecommunication Services – 4.5%		
CenturyLink, Inc., 7.500%, 4–1–24	120	128
Frontier Communications Corp.: 10.500%, 9–15–22	424	376
11.000%, 9–15–25	655	511
Olympus Merger Sub, Inc., 8.500%, 10–15–25 (A)	200	184
Sprint Corp.: 7.875%, 9–15–23	425	458
7.125%, 6–15–24	394	409
		<u>2,066</u>
Wireless Telecommunication Service – 1.8%		
SBA Communications Corp., 4.875%, 9–1–24	150	148
T-Mobile USA, Inc.: 6.375%, 3–1–25	250	261
6.500%, 1–15–26	380	398
		<u>807</u>
Total Telecommunication Services – 8.3%		3,792
Utilities		
Electric Utilities – 2.9%		
Calpine Corp.: 5.375%, 1–15–23	200	188
5.750%, 1–15–25	320	283
Dynegy, Inc.: 7.375%, 11–1–22	315	328
7.625%, 11–1–24	196	211
NRG Energy, Inc., 6.625%, 1–15–27	284	298
		<u>1,308</u>
Total Utilities – 2.9%		1,308
TOTAL CORPORATE DEBT SECURITIES – 96.0%		\$43,909
(Cost: \$44,334)		

SCHEDULE OF INVESTMENTS IVY PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

SHORT-TERM SECURITIES	Principal	Value
Master Note – 1.1%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10–5–18 (C)	\$493	\$ 493
TOTAL SHORT-TERM SECURITIES – 1.1%		\$ 493
(Cost: \$493)		
TOTAL INVESTMENT SECURITIES – 97.1%		\$44,402
(Cost: \$44,827)		
CASH AND OTHER ASSETS, NET OF LIABILITIES (D) – 2.9%		1,337
NET ASSETS – 100.0%		\$45,739

Notes to Schedule of Investments

(A)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$25,918 or 56.7% of net assets.

(B)Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at September 30, 2018.

(C)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(D)Cash of \$291 has been pledged as collateral on open futures contracts.

The following futures contracts were outstanding at September 30, 2018 (contracts unrounded):

Description	Type	Number of Contracts	Expiration Date	Notional Amount	Value	Unrealized Appreciation
U.S. 10-Year Treasury Note	Short	97	12–28–18	9,700	\$ (11,522)	\$ 121
U.S. 2-Year Treasury Note	Short	50	12–28–18	10,000	(10,536)	18
U.S. 5-Year Treasury Note	Short	201	12–31–18	20,100	(22,608)	143
					<u>\$(44,666)</u>	<u>\$282</u>

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$ —	\$43,909	\$ —
Short-Term Securities	—	493	—
Total	<u>\$ —</u>	<u>\$44,402</u>	<u>\$ —</u>
Futures Contracts	<u>\$282</u>	<u>\$ —</u>	<u>\$ —</u>

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

REIT = Real Estate Investment Trusts

See Accompanying Notes to Financial Statements.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	99.7%
Information Technology	19.7%
Financials	17.1%
Health Care	12.0%
Consumer Discretionary	11.8%
Industrials	10.8%
Consumer Staples	7.9%
Energy	7.1%
Materials	4.9%
Real Estate	3.0%
Telecommunication Services	2.8%
Utilities	2.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.3%

Country Weightings

North America	58.2%
United States	54.8%
Other North America	3.4%
Europe	20.9%
United Kingdom	4.8%
France	3.5%
Other Europe	12.6%
Pacific Basin	19.0%
Japan	7.5%
Other Pacific Basin	11.5%
South America	0.9%
Other	0.6%
Bahamas/Caribbean	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.3%

Top 10 Equity Holdings

Company	Country	Sector	Industry
Apple, Inc.	United States	Information Technology	Technology Hardware, Storage & Peripherals
Amazon.com, Inc.	United States	Consumer Discretionary	Internet & Direct Marketing Retail
Microsoft Corp.	United States	Information Technology	Systems Software
Facebook, Inc., Class A	United States	Information Technology	Internet Software & Services
JPMorgan Chase & Co.	United States	Financials	Other Diversified Financial Services
Alphabet, Inc., Class C	United States	Information Technology	Internet Software & Services
Johnson & Johnson	United States	Health Care	Pharmaceuticals
Exxon Mobil Corp.	United States	Energy	Oil & Gas Exploration & Production
Alphabet, Inc., Class A	United States	Information Technology	Internet Software & Services
Bank of America Corp.	United States	Financials	Diversified Banks

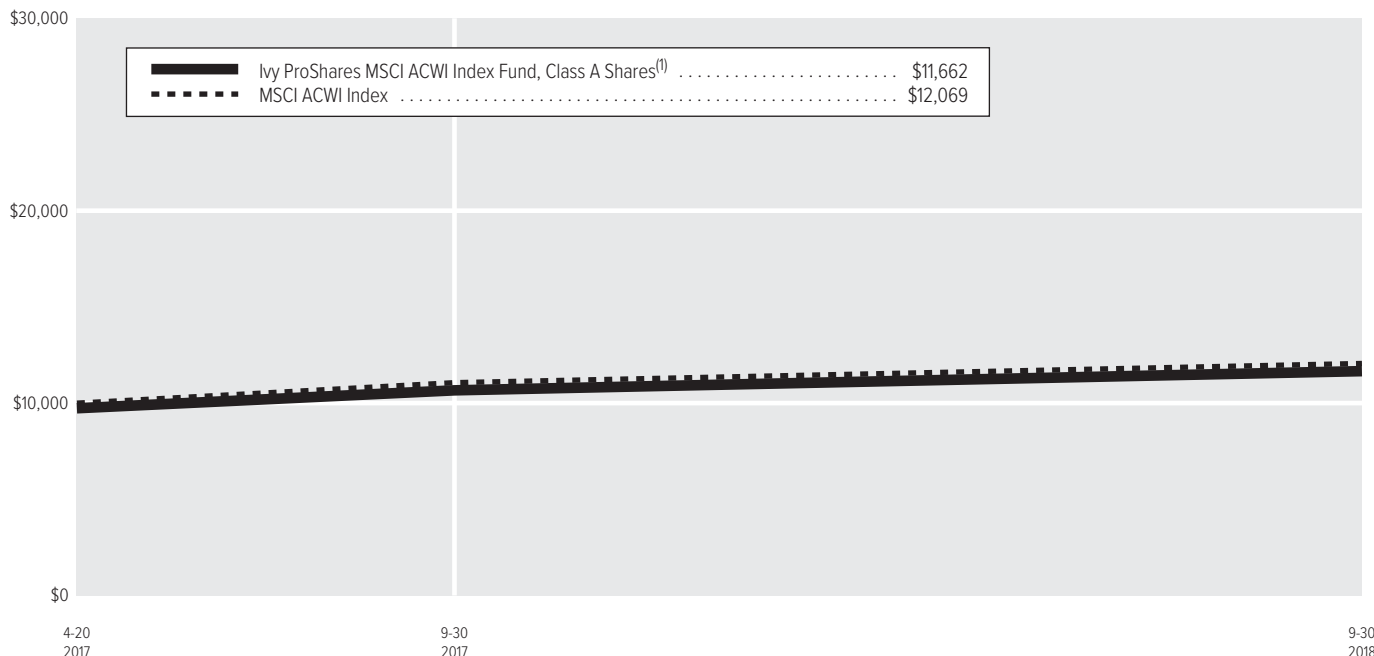
See your advisor or www.ivyinvestments.com for more information on the Fund's most recent published Top 10 Equity Holdings.

+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 PROSHARES MSCI ACWI INDEX 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 E	Class I	Class N	Class R
1-year period ended 9-30-18	6.54%	6.79%	9.64%	9.64%	8.84%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	11.22%	11.44%	13.54%	13.54%	12.68%

(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.ivyinvestments.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 I, Class N and Class R 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) 4-20-17 for Class A shares, 4-20-17 for Class E shares, 4-20-17 for Class I shares, 4-20-17 for Class N shares and 4-20-17 for Class R 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 PROSHARES MSCI ACWI INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Australia			Utilities (Continued)			Financials (Continued)		
Consumer Discretionary – 0.0%			APA Group	5	\$ 39	Banco do Brasil S.A.	3	\$ 22
Aristocrat Leisure Ltd.	1	\$ 31			67	BB Seguridade Participacoes S.A.	4	21
						BM&F Bovespa S.A.	8	48
Consumer Staples – 0.2%			Total Australia – 2.0%		2,154	Itau Unibanco Holdings S.A.	8	87
Treasury Wine Estates Ltd.	2	27	Austria			Itauna Investimentos Itaun S.A.	16	39
Wesfarmers Ltd.	3	91	Energy – 0.0%					295
Woolworths Ltd.	3	59	OMV AG	1	30	Industrials – 0.0%		
		177				WEG S.A.	5	22
Energy – 0.1%			Financials – 0.0%			Information Technology – 0.0%		
Oil Search Ltd.	5	30	Erste Bank der Oesterreichischen			Cielo S.A.	5	14
Origin Energy Ltd. (A)	5	29	Sparkassen AG	1	39	MercadoLibre, Inc.	—*	31
Santos Ltd.	6	30						45
Woodside Petroleum Ltd.	2	64	Materials – 0.0%			Materials – 0.1%		
		153	voestalpine AG	1	25	Vale S.A.	7	111
Financials – 0.9%			Total Austria – 0.0%		94	Real Estate – 0.0%		
Australia and New Zealand Banking			Belgium			Multiplan Empreendimentos Imobiliarios		
Group Ltd.	7	134	Consumer Staples – 0.1%			S.A.	6	27
Australian Stock Exchange Ltd.	1	34	InBev N.V.	2	149	Telecommunication Services – 0.0%		
Commonwealth Bank of Australia	4	213				Telefonica Brasil S.A.	2	19
Insurance Australia Group Ltd.	7	36	Financials – 0.0%			Total Brazil – 0.6%		732
Macquarie Group Ltd.	1	73	ageas N.V.	1	35	Canada		
National Australia Bank Ltd.	6	122	KBC Group N.V.	1	44	Consumer Discretionary – 0.4%		
QBE Insurance Group Ltd.	5	44			79	Canadian Tire Corp. Ltd., Class A	—*	30
Suncorp Group Ltd.	5	49	Health Care – 0.0%			Dollarama, Inc.	1	32
Westpac Banking Corp.	8	155	UCB S.A./N.V.	—*	38	lululemon athletica, Inc. (A)	—*	38
		860	Materials – 0.2%			Magna International, Inc.	1	49
Health Care – 0.2%			Solvay S.A.	—*	37	Restaurant Brands International, Inc.	1	36
Cochlear Ltd.	—*	28	Umicore S.A.	1	38	Shaw Communications, Inc., Class B	2	33
CSL Ltd.	1	156			75	Thomson Reuters Corp.	1	32
Sonic Healthcare Ltd.	2	33	Total Belgium – 0.3%		341			250
		217	Bermuda			Consumer Staples – 0.0%		
Industrials – 0.1%			Financials – 0.0%			Alimentation Couche-Tard, Inc.,		
Brambles Ltd.	4	35	Arch Capital Group Ltd. (A)	1	37	Class B	1	58
Transurban Group	6	51	Everest Re Group Ltd.	—*	27	Loblaws Cos. Ltd.	1	34
		86			64	Metro, Inc.	1	27
Materials – 0.3%			Total Bermuda – 0.0%		64	Saputo, Inc.	1	28
Amcor Ltd.	3	30	Brazil					147
BHP Billiton plc	12	283	Consumer Discretionary – 0.0%			Energy – 0.6%		
Newcrest Mining Ltd.	2	30	Lojas Renner S.A.	3	27	Canadian Natural Resources Ltd.	3	100
South32 Ltd.	15	41				Cenovus Energy, Inc.	3	29
		384	Consumer Staples – 0.1%			Enbridge, Inc.	4	141
Real Estate – 0.1%			Ambev S.A.	13	57	EnCana Corp.	3	36
Dexus	3	27				Imperial Oil Ltd.	1	26
Goodman Group	4	33	Energy – 0.1%			Inter Pipeline Ltd.	2	36
GPT Group	8	30	Petroleo Brasileiro S.A.	20	114	Keyera Corp.	1	30
Scentre Group	14	40	Ultramar Participacoes S.A.	2	15	Pembina Pipeline Corp.	1	45
Stockland Corp. Ltd.	8	25			129	Suncor Energy, Inc.	4	147
Vicinity Centres	13	24	Financials – 0.3%			TransCanada Corp.	2	85
		179	Banco Bradesco S.A.	11	78	Financials – 1.2%		
Utilities – 0.1%						Bank of Montreal	1	108
AGL Energy Ltd.	2	28						

SCHEDULE OF INVESTMENTS

IVY PROSHARES MSCI ACWI INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Financials (Continued)			Financials – 0.0%			Information Technology – 1.2%		
Bank of Nova Scotia (The)	2	\$ 144	Banco Santander Chile	524	\$ 42	58.com, Inc. ADR (A)	—*	\$ 24
Brookfield Asset Management, Inc., Class A	2	91				AAC Technologies Holdings, Inc.	2	21
Canadian Imperial Bank of Commerce	1	86	Total Chile – 0.2%		144	Alibaba Group Holding Ltd. ADR (A)	3	438
Fairfax Financial Holdings Ltd.	—*	42	China			Baidu.com, Inc. ADR (A)	1	149
Intact Financial Corp.	—*	40	Consumer Discretionary – 0.2%			NetEase.com, Inc. ADR	—*	51
Manulife Financial Corp.	5	84	Ctrip.com International Ltd. (A)	1	39	SINA Corp. (A)	—*	19
National Bank of Canada	1	32	Geely Automobile Holdings Ltd.	15	30	Sunny Optical Technology (Group) Co. Ltd.	2	20
Onex Corp.	—*	26	JD.com, Inc. ADR (A)	2	49	Tencent Holdings Ltd.	13	544
Power Corp. of Canada	1	22	New Oriental Education & Technology Group, Inc. ADR (A)	—*	27			1,266
Royal Bank of Canada	3	254	Shenzhou International Group Holdings Ltd.	3	34	Materials – 0.0%		
Sun Life Financial, Inc.	2	62	YUM! Brands, Inc.	1	33	Anhui Conch Cement Co. Ltd., H Shares	4	27
Toronto-Dominion Bank	4	241			212			
		1,232	Consumer Staples – 0.0%			Real Estate – 0.1%		
Industrials – 0.3%			China Mengniu Dairy Co. Ltd.	10	34	China Overseas Land & Investment Ltd.	12	38
Canadian National Railway Co.	2	154				Country Garden Holdings Co. Ltd.	19	24
Canadian Pacific Railway Ltd.	—*	84	Energy – 0.2%			Sunac China Holdings Ltd.	7	20
		238	China Petroleum & Chemical Corp., H Shares	66	66			82
Information Technology – 0.0%			China Shenhua Energy Co. Ltd., H Shares	11	25	Telecommunication Services – 0.1%		
Constellation Software, Inc.	—*	35	CNOOC Ltd.	49	97	China Mobile Ltd.	14	141
OpenText Corp.	1	34	PetroChina Co. Ltd., H Shares	54	44	China Telecom Corp. Ltd.	58	29
Shopify, Inc., Class A (A)	—*	37			232	China Unicom Ltd.	23	27
		106	Financials – 0.8%					197
Materials – 0.3%			Bank of Communications Co. Ltd.	35	26	Utilities – 0.0%		
Agnico-Eagle Mines Ltd.	1	26	BOC Hong Kong (Holdings) Ltd., H Shares	195	87	CGN Power Co. Ltd., H Shares	114	27
Nutrien Ltd.	2	89	China Cinda Asset Management Co. Ltd., H Shares	85	21	Xiniao Gas Holdings Ltd.	3	22
Barrick Gold Corp.	3	34	China CITIC Bank Corp. Ltd., H Shares	41	26			49
First Quantum Minerals Ltd.	2	20	China Construction Bank Corp.	234	205	Total China – 2.6%		3,006
Franco-Nevada Corp.	1	40	China Life Insurance Co. Ltd., H Shares	22	50	Columbia		
Goldcorp, Inc.	3	27	China Merchants Bank Co. Ltd., H Shares	11	47	Financials – 0.0%		
Teck Cominco Ltd.	1	36	China Minsheng Banking Corp. Ltd., H Shares	38	28	Bancolumbia S.A.	3	30
Wheaton Precious Metals Corp.	2	29	China Pacific Insurance (Group) Co. Ltd., H Shares	8	32			30
		301	CITIC Securities Co. Ltd., H Shares	11	20	Total Columbia – 0.0%		30
Real Estate – 0.0%			Haitong Securities Co. Ltd., H Shares	25	23	Denmark		
First Capital Realty, Inc.	2	26	Industrial and Commercial Bank of China Ltd., H Shares	163	119	Consumer Discretionary – 0.0%		
Telecommunication Services – 0.1%			PICC Property and Casualty Co. Ltd., H Shares	24	28	Pandora Holding A.S.	—*	16
Rogers Communications, Inc., Class B	1	59	Ping An Insurance (Group) Co. of China Ltd., H Shares (B)	14	144			
Utilities – 0.1%					856	Consumer Staples – 0.0%		
Fortis, Inc.	2	51	Health Care – 0.0%			Carlsberg Group	—*	40
			CSPC Pharmaceutical Group Ltd.	12	26			
Total Canada – 3.0%		3,085	Industrials – 0.0%			Financials – 0.1%		
Chile			China Communications Construction Co. Ltd., H Shares	24	25	Danske Bank A.S.	2	48
Consumer Discretionary – 0.1%								
Saci Falabella	4	32	Health Care – 0.0%			Health Care – 0.2%		
			CSPC Pharmaceutical Group Ltd.	12	26	Coloplast A/S, Class B	—*	36
Consumer Staples – 0.1%						Genmab A.S. (A)	—*	32
Cencosud S.A.	15	36	Industrials – 0.0%			Novo Nordisk A/S, Class B	4	199
			China Communications Construction Co. Ltd., H Shares	24	25	Novozymes A/S, Class B	1	40
Energy – 0.0%								307
Empresas Copec S.A.	2	34				Industrials – 0.1%		
						A.P. Moller - Maersk A/S	—*	34
						DSV A/S	1	56

SCHEDULE OF INVESTMENTS

IVY PROSHARES MSCI ACWI INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Industrials (Continued)			Health Care – 0.3%			Financials (Continued)		
Vestas Wind Systems A/S	1	\$ 42	EssilorLuxottica	1	\$ 75	Deutsche Boerse AG	—*	\$ 55
		132	Sanofi-Aventis	3	249	Hannover Ruckversicherungs-		
					324	Aktiengesellschaft	—*	25
Materials – 0.0%			Industrials – 0.8%			Munchener Ruckversicherungs-		
Chr. Hansen Holding A/S	—*	36	Airbus SE	1	171	Gesellschaft AG, Registered		
			Bouygues S.A.	1	31	Shares	—*	73
Utilities – 0.0%			Compagnie de Saint-Gobain	1	58			458
DONG Energy A/S	1	36	Eiffage S.A.	—*	34	Health Care – 0.4%		
			Getlink SE	3	32	Bayer AG	2	171
Total Denmark – 0.4%		615	Legrand S.A.	1	60	Fresenius Medical Care AG & Co.		
Finland			Safran	1	111	KGaA	1	64
Financials – 0.2%			Schneider Electric S.A.	1	107	Fresenius SE & Co. KGaA	1	81
Nordea Bank Abp	7	76	Teleperformance SE	—*	38	Merck KGaA	—*	36
Sampo plc, A Shares	1	45	Thales	—*	39			352
		121	Vinci	1	110			
					791	Industrials – 0.3%		
Information Technology – 0.1%			Information Technology – 0.1%			Brenntag AG	1	34
Nokia OYJ	13	75	Atos S.A.	—*	33	Deutsche Lufthansa AG	1	22
			Cap Gemini S.A.	—*	54	Deutsche Post AG	2	83
Materials – 0.1%			Dassault Systemes S.A.	—*	53	GEA Group Aktiengesellschaft,		
Stora Enso Oyj, Class R	1	28			140	Bochum	1	24
UPM-Kymmene Corp.	1	52	Materials – 0.2%			MTU Aero Engines Holding AG	—*	37
		80	Arkema	—*	33	Siemens AG	2	234
Total Finland – 0.4%		276	L Air Liquide S.A.	1	149	Thyssenkrupp AG	1	24
					182			458
France			Real Estate – 0.1%			Information Technology – 0.5%		
Consumer Discretionary – 0.7%			Klepierre	1	32	Infineon Technologies AG	3	64
Accor S.A.	1	37	Unibail-Rodamco-Westfield	—*	57	SAP AG	2	262
Compagnie Generale des Etablissements					89	Wirecard AG	—*	75
Michelin, Class B	—*	60	Telecommunication Services – 0.1%					401
Hermes International	—*	52	Orange S.A.	5	75	Materials – 0.4%		
Kering	—*	98				BASF Aktiengesellschaft	2	178
LVMH Moet Hennessy - Louis Vuitton	1	240	Utilities – 0.1%			Covestro AG	—*	37
Peugeot S.A.	2	45	ENGIE	5	71	Evonik Industries AG	1	21
Publicis Groupe S.A.	1	39	Veolia Environnement S.A.	2	30	HeidelbergCement AG	—*	27
Renault S.A.	—*	43			101	Linde AG	—*	105
Sodexo S.A.	—*	36	Total France – 3.5%		3,591	Symrise AG	—*	35
Valeo S.A.	1	36						403
Vivendi Universal	3	69	Germany			Real Estate – 0.2%		
		755	Consumer Discretionary – 0.3%			Deutsche Wohnen AG	1	43
Consumer Staples – 0.4%			adidas AG	—*	108	Vonovia SE	1	59
Carrefour S.A.	2	35	Bayerische Motoren Werke AG	1	74			102
Danone S.A.	1	111	Continental AG	—*	39	Telecommunication Services – 0.1%		
L'Oreal	1	132	Daimler AG	2	126	Deutsche Telekom AG, Registered		
Pernod Ricard S.A.	1	87	Porsche Automobil Holding SE	1	37	Shares	8	122
		365	TUI AG	1	24	Utilities – 0.1%		
Energy – 0.3%					408	E.ON AG	5	53
Total S.A.	5	356	Consumer Staples – 0.0%			RWE Aktiengesellschaft	2	37
			Beiersdorf Aktiengesellschaft	—*	30			90
Financials – 0.4%			Financials – 0.5%			Total Germany – 2.8%		2,824
Axa S.A.	5	127	Allianz AG, Registered Shares	1	219	Hong Kong		
BNP Paribas S.A.	3	157	Commerzbank AG	3	29	Consumer Discretionary – 0.1%		
Credit Agricole Group	3	47	Deutsche Bank AG	5	57	Galaxy Entertainment Group	6	40
Societe Generale S.A.	2	82						
		413						

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IVY PROSHARES MSCI ACWI INDEX FUND *(in thousands)*

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary (Continued)			Energy – 0.2%			Israel		
Michael Kors Holdings Ltd. (A)	—*	\$ 28	Reliance Industries Ltd. GDR (C)	6	\$220	Health Care – 0.1%		
Techtronic Industries Co. Ltd.	5	31				Teva Pharmaceutical Industries Ltd.		
		99	Financials – 0.1%			ADR	2	\$ 53
Consumer Staples – 0.0%			ICICI Bank Ltd. ADR	7	63	Information Technology – 0.0%		
China Resources Beer (Holdings) Co.			Health Care – 0.1%			NICE Systems Ltd. ADR (A)	—*	28
Ltd.	5	21	Dr. Reddy's Laboratories Ltd. ADR	3	92			
WH Group Ltd.	27	19	Industrials – 0.1%			Total Israel – 0.1%		81
		40	Larsen & Toubro Ltd. GDR	7	121	Italy		
Financials – 0.6%			Information Technology – 0.2%			Consumer Discretionary – 0.0%		
Agricultural Bank of China Ltd.,			Infosys Technologies Ltd. ADR (B)	8	79	Ferrari N.V.	—*	43
H Shares	76	37	Wipro Ltd. ADR	20	103	Luxottica Group S.p.A.	—*	28
AIA Group Ltd.	31	278			182			71
BOC Hong Kong (Holdings) Ltd.	10	46	Materials – 0.1%			Energy – 0.1%		
Hang Seng Bank Ltd.	2	59	Vedanta Ltd. ADR	5	59	Eni S.p.A.	5	103
Hong Kong Exchanges and Clearing						Financials – 0.3%		
Ltd.	3	94	Total India – 0.9%		785	Assicurazioni Generali S.p.A.	2	40
		514	Indonesia			Banca Intesa S.p.A.	35	89
Health Care – 0.0%			Consumer Discretionary – 0.0%			UniCredit S.p.A.	5	74
Sino Biopharmaceutical Ltd.	13	12	PT Astra International Tbk	69	34			203
Industrials – 0.1%			Financials – 0.1%			Industrials – 0.0%		
Cheung Kong Infrastructure Holdings			Bank Central Asia Tbk PT	29	48	Atlantia S.p.A.	1	25
Ltd.	5	37	PT Bank Mandiri (Persero) Tbk	71	32	CNH Industrial N.V.	2	30
CITIC Pacific Ltd.	21	31	PT Bank Rakyat Indonesia	145	31	Prysmian S.p.A.	1	22
Jardine Matheson Holdings Ltd.	1	40			111			77
MTR Corp. Ltd.	7	37	Telecommunication Services – 0.0%			Telecommunication Services – 0.0%		
Shanghai Industrial Holdings Ltd.	10	23	PT Telekomunikasi Indonesia Persero			Telecom Italia S.p.A. (A)	45	27
		168	Tbk	148	36	Utilities – 0.2%		
Real Estate – 0.5%			Total Indonesia – 0.1%		181	ENEL S.p.A.	19	97
Cheung Kong (Holdings) Ltd.	15	141	Ireland			Snam S.p.A.	9	38
China Evergrande Group (B)	7	20	Consumer Discretionary – 0.0%					135
China Resources Land Ltd.	10	36	Paddy Power Betfair plc	—*	21	Total Italy – 0.6%		616
Hang Lung Properties Ltd.	13	25	Consumer Staples – 0.1%			Japan		
Henderson Land Development Co.			Kerry Group plc, Class A	—*	49	Consumer Discretionary – 1.4%		
Ltd.	6	32	Health Care – 0.3%			Bridgestone Corp.	2	61
Hongkong Land Holdings Ltd.	5	33	Medtronic plc	3	285	Denso Corp.	1	67
Hysan Development Co. Ltd.	5	26	Information Technology – 0.2%			Fast Retailing Co. Ltd.	—*	77
Link (The)	6	62	Accenture plc, Class A	1	211	Honda Motor Co. Ltd.	4	120
New World Development Co. Ltd.	27	36	Materials – 0.1%			Isuzu Motors Ltd.	2	35
Sino Land Co. Ltd.	19	32	CRH plc	2	65	Koito Manufacturing Co. Ltd.	—*	30
Sun Hung Kai Properties Ltd.	5	69	James Hardie Industries plc, Class C	2	24	Makita Corp.	1	37
Swire Pacific Ltd., Class A	3	38	Smurfit Kappa Group plc	1	25	Mazda Motor Corp.	2	25
Wharf (Holdings) Ltd. (The)	4	27			114	Nissan Motor Co. Ltd.	5	49
Wheelock and Co. Ltd.	3	20	Total Ireland – 0.7%		680	Nitori Co. Ltd.	—*	29
		597				Oriental Land Co. Ltd.	1	56
Utilities – 0.3%						Panasonic Corp.	5	62
CLP Holdings Ltd.	5	63				Ryohin Keikaku Co. Ltd.	—*	20
Hong Kong & China Gas Co. Ltd.	34	67				Sekisui Chemicals Co. Ltd.	2	33
Power Assets Holdings Ltd.	6	44				Sekisui House Ltd.	2	32
		174				Shimano, Inc.	—*	40
Total Hong Kong – 1.6%		1,604				Sony Corp.	3	182
India						Subaru Corp.	2	49
Consumer Discretionary – 0.1%								
Tata Motors Ltd. ADR (A)	3	48						

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IVY PROSHARES MSCI ACWI INDEX FUND *(in thousands)*

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary (Continued)			Health Care (Continued)			Materials (Continued)		
Suzuki Motor Corp.	1	\$ 53	Terumo Corp.	1	\$ 44	Kuraray Co. Ltd.	2	\$ 35
Toyota Industries Corp.	1	32			617	Mitsubishi Chemical Holdings Corp. ...	4	40
Toyota Motor Corp.	5	340	Industrials – 1.8%			Nippon Steel & Sumitomo Metal Corp.	2	46
Yamaha Corp.	—*	23	AGC Inc.	1	26	Nissan Chemical Corp.	1	30
		1,452	Canon, Inc.	2	69	Nitto Denko Corp.	—*	35
Consumer Staples – 0.6%			Central Japan Railway Co.	—*	74	Shin-Etsu Chemical Co. Ltd.	1	80
Aeon Co. Ltd.	2	43	Dakin Industries Ltd.	1	86	Sumitomo Chemical Co. Ltd.	6	33
Ajinomoto Co., Inc.	2	34	East Japan Railway Co.	1	74	Sumitomo Metal Mining Co. Ltd.	1	28
Asahi Breweries Ltd.	1	37	FANUC Ltd.	—*	90	Teijin Ltd.	2	30
FamilyMart Co. Ltd.	—*	26	Hankyu Hanshin Holdings, Inc.	1	33	Toray Industries, Inc.	5	39
Japan Tobacco, Inc.	3	69	ITOCHU Corp.	3	59			491
Kao Corp.	1	87	Kajima Corp.	7	108	Real Estate – 0.3%		
Kirin Brewery Co. Ltd.	2	54	Keio Corp.	1	43	Daito Trust Construction Co. Ltd.	—*	24
Meiji Holdings Co. Ltd.	—*	27	Kintetsu Group Holdings Co. Ltd.	1	33	Daiwa House Industry Co. Ltd.	2	46
Seven & i Holdings Co. Ltd.	2	74	Komatsu Ltd.	2	68	Japan Real Estate Investment Corp. ...	—*	26
Shiseido Co. Ltd.	1	69	Kubota Corp.	3	43	Mitsubishi Estate Co. Ltd.	4	60
Suntory Beverage & Food Ltd.	1	23	Marubeni Corp.	4	41	Mitsui Fudosan Co. Ltd.	2	59
Unicharm Corp.	1	36	MISUMI Group, Inc.	1	24	Nippon Building Fund, Inc.	—*	29
Yakult Honsha Co. Ltd.	—*	31	Mitsubishi Corp.	3	100	Sumitomo Realty & Development Co. Ltd.	1	43
		610	Mitsubishi Electric Corp.	5	64	Tokyo Fudosan Holdings Corp.	4	28
Energy – 0.1%			Mitsubishi Heavy Industries Ltd.	1	34			315
Inpex Corp.	3	35	Mitsui & Co. Ltd.	4	71	Telecommunication Services – 0.5%		
JXTG Holdings, Inc.	8	59	Nagoya Railroad Co. Ltd.	1	29	KDDI Corp.	4	114
		94	Nihon Densan Kabushiki Kaisha	1	78	Nippon Telegraph and Telephone Corp.	2	70
Financials – 0.9%			Odakyu Electric Railway Co. Ltd.	2	44	NTT DoCoMo, Inc.	3	74
Dai-ichi Mutual Life Insurance Co. (The)	3	63	Recruit Holdings Co. Ltd.	3	86	SoftBank Group Corp.	2	213
Daiwa Securities Group, Inc.	6	37	Secom Co. Ltd.	1	54			471
Japan Exchange Group, Inc.	1	26	Shimizu Corp.	3	27	Utilities – 0.1%		
Japan Post Holdings Co. Ltd.	3	30	SMC Corp.	—*	49	Chubu Electric Power Co., Inc.	2	30
Kabushiki Kaisha Mitsubishi Tokyo Financial Group	27	170	Sumitomo Corp.	3	53	Kansai Electric Power Co., Inc.	2	30
Mizuho Financial Group, Inc.	56	97	Sumitomo Electric Industries Ltd.	3	41	Osaka Gas Co. Ltd.	2	31
MS&AD Insurance Group Holdings, Inc.	1	45	Taisei Corp.	1	33	Tokyo Electric Power Co., Inc. (The) (A)	5	26
NKSJ Holdings, Inc.	1	40	Tobu Railway Co. Ltd.	1	40	Tokyo Gas Co. Ltd.	1	32
Nomura Holdings, Inc.	10	48	Tokyo Corp.	2	42			149
ORIX Corp.	4	66	Toshiba Corp. (A)	2	55	Total Japan – 7.5%		7,780
Resona Holdings, Inc.	7	37	TOTO Ltd.	1	22	Luxembourg		
Sumitomo Mitsui Financial Group, Inc.	3	126	Toyota Tsusho Corp.	1	27	Energy – 0.0%		
Sumitomo Mitsui Trust Holdings, Inc.	1	36	West Japan Railway Co.	—*	35	Tenaris S.A.	1	23
T&D Holdings, Inc.	2	31	Yamato Holdings Co. Ltd.	1	28	Materials – 0.1%		
Tokio Marine Holdings, Inc.	2	80			1,883	ArcelorMittal	2	53
		932	Information Technology – 0.7%					76
Health Care – 0.6%			FUJIFILM Holdings Corp.	1	50	Macau		
Astellas Pharma, Inc.	4	76	Fujitsu Ltd.	1	49	Consumer Discretionary – 0.0%		
Chugai Pharmaceutical Co. Ltd.	1	39	Hitachi Ltd.	2	82	Sands China Ltd.	8	34
Daiichi Sankyo Co. Ltd.	2	72	Hoya Corp.	1	56			34
Eisai Co. Ltd.	1	70	Keyence Corp.	—*	133	Total Luxembourg – 0.1%		76
M3, Inc.	1	28	Kyocera Corp.	1	50	Macau		
Olympus Corp.	1	36	Murata Manufacturing Co. Ltd.	—*	62	Consumer Discretionary – 0.0%		
Ono Pharmaceutical Co. Ltd.	1	35	Nintendo Co. Ltd.	—*	97	Sands China Ltd.	8	34
Otsuka Holdings Co. Ltd.	1	46	OMRON Corp.	1	27			34
Shionogi & Co. Ltd.	1	57	Renesas Electronics Corp. (A)	2	15	Total Macau – 0.0%		34
Sysmex Corp.	—*	35	ROHM Co. Ltd.	—*	21			
Takeda Pharmaceutical Co. Ltd.	2	79	TDK Corp.	—*	47			
			Tokyo Electron Ltd.	—*	52			
			YASKAWA Electric Corp.	1	25			
					766			
			Materials – 0.5%					
			Asahi Kasei Corp.	4	57			
			JFE Holdings, Inc.	2	38			

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Malaysia			Industrials – 0.2%			Financials – 0.0%		
Financials – 0.1%			Koninklijke Philips Electronics N.V.,			Bank Pekao S.A.	1	\$ 32
Bumiputra-Commerce Holdings			Ordinary Shares	2	\$ 103	PKO Bank Polski S.A.	4	42
Berhad	25	\$ 36	Wolters Kluwer N.V.	1	48	Powszechny Zaklad Ubezpieczen S.A. . .	3	32
Malayan Banking Berhad	18	41			151			106
Public Bank Berhad	11	64						
		141	Information Technology – 0.3%			Total Poland – 0.0%		141
Utilities – 0.1%			ASML Holding N.V., Ordinary Shares . . .	1	174	Portugal		
Tenaga Nasional Berhad	15	54	NXP Semiconductors N.V.	1	69	Energy – 0.0%		
					243	Galp Energia SGPS S.A., Class B	1	29
Total Malaysia – 0.2%		195	Materials – 0.2%			Utilities – 0.0%		
Mexico			Akzo Nobel N.V.	1	57	EDP - Energias de Portugal S.A.	9	33
Consumer Discretionary – 0.0%			Royal DSM Heerlen	1	57			
Grupo Televisa S.A.B. de C.V.	9	30			114	Total Portugal – 0.0%		62
Consumer Staples – 0.2%			Telecommunication Services – 0.0%			Russia		
Fomento Economico Mexicano S.A.B.			Koninklijke KPN N.V.	12	31	Energy – 0.4%		
de C.V.	7	74	Total Netherlands – 1.7%		1,600	DAO Novatek GDR	—*	65
Wal-Mart de Mexico S.A.B. de C.V.	19	59	Norway			Open Joint Stock Co. Gazprom ADR	14	69
		133	Consumer Staples – 0.0%			PJSC LUKOIL ADR	2	134
Financials – 0.1%			Marine Harvest ASA	1	33	Tatneft PJSC	1	66
Grupo Financiero Banorte S.A.B. de			Energy – 0.1%					334
C.V.	9	69	Equinor ASA	3	75	Financials – 0.1%		
Materials – 0.1%			Financials – 0.1%			Sberbank of Russia PJSC ADR	10	125
Grupo Mexico S.A.B. de C.V.	16	47	DNB ASA	3	55	Materials – 0.0%		
Real Estate – 0.1%			Industrials – 0.0%			MMC Norilsk Nickel PJSC ADR	2	39
Fibra Uno Administracion S.A. de C.V. . .	26	35	Orkla ASA	3	25	Telecommunication Services – 0.0%		
Telecommunication Services – 0.1%			Materials – 0.0%			Mobile TeleSystems OJSC ADR	3	30
America Movil S.A.B. de C.V., Series L . .	99	80	Yara International ASA	1	31	Total Russia – 0.5%		528
Total Mexico – 0.6%		394	Telecommunication Services – 0.0%			Singapore		
Netherlands			Telenor ASA (B)	2	36	Financials – 0.4%		
Consumer Staples – 0.2%			Total Norway – 0.2%		255	DBS Group Holdings Ltd.	5	89
Heineken N.V.	1	52	Peru			Oversea-Chinese Banking Corp. Ltd. . . .	8	70
Koninklijke Ahold Delhaize N.V.	3	70	Financials – 0.1%			Singapore Exchange Ltd.	8	42
		122	Credicorp Ltd.	—*	53	United Overseas Bank Ltd.	4	72
Energy – 0.7%			Total Peru – 0.1%		53			273
Royal Dutch Shell plc, Class A (B)	11	375	Philippines			Industrials – 0.0%		
Royal Dutch Shell plc, Class B	9	321	Real Estate – 0.1%			Keppel Corp. Ltd.	5	27
		696	Ayala Land, Inc.	43	32	Real Estate – 0.1%		
Financials – 0.1%			SM Prime Holdings, Inc.	52	35	Ascendas Real Estate Investment		
ABN AMRO Group N.V.	1	31			67	Trust	19	37
Aegon N.V.	5	33	Total Philippines – 0.1%		67	Capitaland Ltd.	16	38
ING Groep N.V., Certicaaten Van			Poland			Suntec	24	34
Aandelen	9	114	Energy – 0.0%			UOL Group Ltd.	5	27
NN Group N.V.	1	39	Polski Koncern Naftowy Orlen S.A.	1	35			136
		217				Telecommunication Services – 0.1%		
Health Care – 0.0%						Singapore Telecommunications Ltd.	24	56
Qiagen N.V. (A)	1	26				Total Singapore – 0.6%		492

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
South Africa			Energy – 0.1%			Industrials – 0.1%		
Consumer Discretionary – 0.2%			SK Energy Co. Ltd.	—*	\$ 44	Aena S.A.	—*	\$ 38
Naspers Ltd., Class N	1	\$ 221				Ferrovial S.A.	1	30
Woolworths Holdings Ltd.	5	18						68
		239	Financials – 0.2%			Information Technology – 0.1%		
Consumer Staples – 0.0%			Hana Financial Group, Inc.	1	43	Amadeus IT Holding S.A.	1	92
Bid Corp. Ltd.	1	23	KB Financial Group, Inc.	1	62	Telecommunication Services – 0.1%		
Shoprite Holdings Ltd.	1	20	Samsung Fire & Marine Insurance			Telefonica S.A.	11	89
Tiger Brands Ltd.	1	16	Co. Ltd.	—*	39			
		59	Samsung Life Insurance Co. Ltd.	—*	28	Utilities – 0.1%		
Energy – 0.0%			Shinhan Financial Group Co. Ltd.	2	62	Enagas S.A.	1	36
Sasol Ltd.	1	55	Woori Finance Holdings Co. Ltd.	2	35	Iberdrola S.A.	14	104
					269	Naturgy Energy Group SA	1	29
Financials – 0.1%			Health Care – 0.1%			Red Electrica Corp. S.A.	2	36
Absa Group Ltd.	2	24	Celltrion, Inc. (A)	—*	55			205
FirstRand Ltd. (B)	8	39	Industrials – 0.0%			Total Spain – 0.9%		1,004
Investec plc	3	19	LG Corp.	—*	30	Sweden		
Old Mutual plc	11	24	Samsung C&T Corp.	—*	29	Consumer Discretionary – 0.0%		
Remgro Ltd.	2	28			59	Autoliv, Inc.	—*	18
Sanlam Ltd.	5	30	Information Technology – 0.6%			H & M Hennes & Mauritz AB (B)	2	41
Standard Bank Group Ltd.	3	37	LG Display Co. Ltd.	1	20			59
		201	Naver Corp.	—*	54	Consumer Staples – 0.0%		
Health Care – 0.0%			Samsung Electro-Mechanics Co. Ltd.	—*	24	Svenska Cellulosa Aktiebolaget SCA		
Aspen Pharmacare Holdings Ltd.	1	15	Samsung Electronics Co. Ltd.	10	432	(publ), Class B	2	38
Industrials – 0.0%			Samsung SDI Co. Ltd.	—*	34	Swedish Match AB	1	40
Bidvest Group Ltd. (The)	1	16	Samsung SDS Co. Ltd.	—*	25			78
			SK C&C Co. Ltd.	—*	30	Financials – 0.3%		
Materials – 0.0%			SK hynix, Inc.	1	84	Investor AB, B Shares	1	48
Mondi plc	1	31			703	Skandinaviska Enskilda Banken AB,		
Real Estate – 0.0%			Materials – 0.2%			Series A	4	42
Growthpoint Properties Ltd.	12	19	LG Chem Ltd.	—*	51	Svenska Handelsbanken AB, Class A ..	4	52
Redefine Properties Ltd.	24	17	Lotte Chemical Corp.	—*	18	Swedbank AB	2	57
		36	POSCO	—*	61			199
Telecommunication Services – 0.0%					130	Industrials – 0.4%		
MTN Group Ltd.	4	26	Utilities – 0.0%			AB Volvo, Class B	4	68
Vodacom Group Ltd.	2	19	Korea Electric Power Corp.	1	26	Alfa Laval AB	1	29
		45	Total South Korea – 1.4%		1,543	Assa Abloy AB, Class B	2	49
Total South Africa – 0.3%		697	Spain			Atlas Copco AB, Class A	2	62
South Korea			Consumer Discretionary – 0.1%			Sandvik AB	3	49
Consumer Discretionary – 0.2%			Industria de Diseno Textil S.A.	2	76			257
Hyundai Mobis	—*	42	Energy – 0.1%			Information Technology – 0.2%		
Hyundai Motor Co.	1	62	Repsol YPF S.A.	3	60	Hexagon AB, Class B	1	34
Kia Motors Corp.	1	33	Financials – 0.3%			Telefonaktiebolaget LM Ericsson,		
LG Electronics, Inc.	—*	20	Banco Bilbao Vizcaya Argentaria S.A. ...	16	100	B Shares	8	69
		157	Banco de Sabadell S.A.	16	25			103
Consumer Staples – 0.0%			Banco Santander S.A.	39	197	Materials – 0.0%		
Amorepacific Corp.	—*	28	Bankinter S.A.	3	26	Boliden AB	1	27
Korea Tobacco & Ginseng Corp.	—*	39	CaixaBank S.A.	9	41			
LG Household & Health Care Ltd.	—*	33			389	Telecommunication Services – 0.0%		
		100	Health Care – 0.0%			TeliaSonera AB	7	33
			Grifols S.A.	1	25	Total Sweden – 0.9%		756

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Switzerland			Financials – 0.4%			United Kingdom		
Consumer Discretionary – 0.2%			Cathay Financial Holding Co. Ltd.	25	\$ 43	Consumer Discretionary – 0.5%		
Compagnie Financiere Richemont S.A.	1	\$ 97	Chailease Holding Co. Ltd.	8	30	Barratt Developments plc	4	\$ 27
Swatch Group Ltd. (The), Bearer Shares	—*	36	China Development Financial Holding Corp.	100	37	British Sky Broadcasting Group plc	3	62
		133	Chinatrust Financial Holding Co. Ltd.	59	44	Burberry Group plc	1	34
Consumer Staples – 0.6%			Fubon Financial Holding Co. Ltd.	23	39	Compass Group plc	4	83
Nestle S.A., Registered Shares	7	568	Mega Financial Holding Co.	52	46	Delphi Automotive plc	1	47
			Yunta Financial Holdings Co. Ltd.	82	43	Fiat S.p.A. (A)	2	42
					282	InterContinental Hotels Group plc	1	37
Financials – 0.5%			Information Technology – 0.6%			ITV plc	12	25
ACE Ltd.	1	130	Advanced Semiconductor Engineering, Inc.	13	32	NEXT plc	—*	30
Credit Suisse Group AG, Registered Shares	6	89	Asustek Computer, Inc.	3	23	Pearson plc	3	29
Julius Baer Group Ltd.	1	27	Delta Electronics, Inc.	8	35	Persimmon plc	1	26
Partners Group Holding AG	—*	34	Hon Hai Precision Industry Co. Ltd.	40	104	Taylor Wimpey plc	12	26
Swiss Life Holding Zurich	—*	34	Largan Precision Co. Ltd.	—*	35	Whitbread plc	1	35
Swiss Re Ltd.	1	67	MediaTek, Inc.	4	31	WPP Group plc	4	52
UBS Group AG	9	139	Taiwan Semiconductor Manufacturing Co. Ltd.	56	484			555
Zurich Financial Services, Registered Shares	—*	100	United Microelectronics Corp.	52	28	Consumer Staples – 1.1%		
		620			772	Associated British Foods plc	1	31
Health Care – 1.0%			Materials – 0.2%			British American Tobacco plc	5	249
Givaudan S.A., Registered Shares	—*	57	China Steel Corp.	53	44	Diageo plc	6	204
Lonza Group Ltd., Registered Shares	—*	66	Formosa Chemicals & Fiber Corp.	12	49	Imperial Tobacco Group plc	2	84
Novartis AG, Registered Shares	5	422	Formosa Plastics Corp.	14	54	Reckitt Benckiser Group plc	2	142
Roche Holdings AG, Genusscheine	2	391	Nan Ya Plastics Corp.	18	50	Tesco plc	23	72
Sonova Holding AG	—*	31	Taiwan Cement Corp.	21	29	Unilever N.V., Certicaaten Van Aandelen	3	184
		967			226	Unilever plc	3	144
Industrials – 0.4%			Telecommunication Services – 0.1%					1,110
ABB Ltd.	4	100	Chunghwa Telecom Co. Ltd.	11	39	Energy – 0.4%		
Adecco S.A.	1	30				BP plc	45	347
Ferguson plc	1	72	Total Taiwan – 1.4%		1,360	FMC Technologies, Inc.	1	39
Geberit AG, Registered	—*	55	Thailand					386
Schindler Holding AG	—*	27	Consumer Staples – 0.0%			Financials – 1.0%		
SGS S.A.	—*	39	CP ALL plc	17	36	3i Group plc	3	34
		323				Aviva plc	9	56
Information Technology – 0.0%			Energy – 0.0%			Barclays plc	39	87
STMicroelectronics N.V.	2	33	PTT Public Co. Ltd.	24	41	HSBC Holdings plc	45	390
Materials – 0.2%						Legal & General Group plc	11	38
Clariant Ltd., Registered Shares	1	27	Financials – 0.0%			Lloyds Banking Group plc	161	125
Glencore International plc	28	121	Kasikornbank Public Co. Ltd.	7	44	London Stock Exchange Group plc, New Ordinary Shares	1	39
LafargeHolcim Ltd.	1	54	Siam Commercial Bank Public Co. Ltd.	7	33	Prudential plc	6	127
Sika AG	—*	1			77	Royal Bank of Scotland Group plc (The)	9	28
		203	Industrials – 0.0%			Standard Chartered plc	7	56
Real Estate – 0.0%			Airports of Thailand Public Co. Ltd.	16	33	Standard Life Aberdeen plc	7	27
Swiss Prime Site AG, Registered	—*	26				Willis Towers Watson plc	—*	42
Telecommunication Services – 0.0%			Materials – 0.0%					1,049
Swisscom AG, Registered Shares	—*	24	PTT Global Chemical Public Co. Ltd.	11	27	Health Care – 0.5%		
						AstraZeneca plc	3	233
Total Switzerland – 2.9%		2,897	Telecommunication Services – 0.0%			GlaxoSmithKline plc	12	238
Taiwan			Advanced Info Service Public Co. Ltd.	4	27	NMC Health plc	1	26
Consumer Staples – 0.1%						Smith & Nephew plc	2	41
Uni-President Enterprises Corp.	16	41	Total Thailand – 0.0%		241			538
						Industrials – 0.5%		
						Allegion plc	—*	31
						Ashtead Group plc	1	45

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Industrials (Continued)			Consumer Discretionary (Continued)			Consumer Staples (Continued)		
BAE Systems plc	8	\$ 64	Expedia, Inc.	—*	\$ 45	CVS Caremark Corp.	2	\$ 183
Bunzl plc	1	31	Ford Motor Co.	8	71	Estee Lauder Co., Inc. (The), Class A . . .	1	73
Experian plc	2	61	General Motors Co.	3	93	General Mills, Inc.	1	63
IHS Markit Ltd. (A)	1	43	Genuine Parts Co.	—*	40	Hershey Foods Corp.	—*	37
Intertek Group plc	—*	31	Home Depot, Inc. (The)	3	544	Hormel Foods Corp.	1	31
Melrose Industries plc	12	32	Interpublic Group of Cos., Inc. (The) . . .	1	26	Ingredion, Inc.	—*	27
RELX plc	4	89	Las Vegas Sands, Inc.	1	49	J.M. Smucker Co. (The)	—*	31
Rolls-Royce Group plc	4	51	Lear Corp.	—*	27	Kellogg Co.	1	42
Smiths Group plc	2	30	Leggett & Platt, Inc.	1	30	Kimberly-Clark Corp.	1	94
Weir Group plc (The)	1	20	Lennar Corp.	1	36	Kraft Foods Group, Inc.	1	78
		528	Liberty Global, Inc., Series C (A)	2	45	Kroger Co. (The)	2	67
			Limited Brands, Inc.	1	21	McCormick & Co., Inc.	—*	47
Materials – 0.3%			LKQ Corp. (A)	1	35	Molson Coors Brewing Co., Class B . . .	1	32
Anglo American plc	3	61	Lowe's Co., Inc.	2	205	Mondelez International, Inc., Class A . .	3	139
Croda International plc	1	35	Macy's, Inc.	1	31	Monster Beverage Corp. (A)	1	59
Johnson Matthey plc	1	34	Marriott International, Inc., Class A . . .	1	87	PepsiCo, Inc.	3	336
Rio Tinto Ltd.	1	50	McDonalds Corp.	2	292	Philip Morris International, Inc.	4	297
Rio Tinto plc	3	144	MGM Resorts International	1	37	Procter & Gamble Co. (The)	6	460
		324	Mohawk Industries, Inc. (A)	—*	30	Sysco Corp.	1	79
			Netflix, Inc. (A)	1	345	Tyson Foods, Inc.	1	38
Real Estate – 0.0%			Newell Rubbermaid, Inc.	1	29	Walgreen Co.	2	137
Land Securities Group plc	2	27	NIKE, Inc., Class B	3	253	Wal-Mart Stores, Inc.	3	321
			NVR, Inc. (A)	—*	22			4,052
			Omnicom Group, Inc.	1	42	Energy – 3.4%		
Telecommunication Services – 0.2%			O'Reilly Automotive, Inc. (A)	—*	78	Anadarko Petroleum Corp.	1	89
BT Group plc	22	66	Phillips-Van Heusen Corp.	—*	27	Andeavor	—*	54
Vodafone Group plc	60	128	Pulte Homes, Inc.	1	20	Apache Corp.	1	53
		194	Ross Stores, Inc.	1	89	Baker Hughes, Inc.	1	34
			Royal Caribbean Cruises Ltd.	—*	51	Cabot Oil & Gas Corp.	1	31
Utilities – 0.2%			Sirius XM Holdings, Inc. (B)	5	29	CF Industries Holdings, Inc.	1	39
Centrica plc	17	34	Starbucks Corp.	3	162	Cheniere Energy, Inc. (A)	1	37
National Grid plc	9	90	TAL Education Group ADR (A)	1	22	Chevron Corp.	4	517
SSE plc	3	39	Target Corp.	1	115	Cimarex Energy Co.	—*	30
United Utilities Group plc	3	29	Tesla Motors, Inc. (A)(B)	—*	80	Concho Resources, Inc. (A)	—*	62
		192	Tiffany & Co.	—*	30	ConocoPhillips	3	214
			TJX Cos., Inc. (The)	1	145	Devon Energy Corp.	1	55
Total United Kingdom – 4.8%		4,903	Tractor Supply Co.	—*	32	Diamondback Energy, Inc.	—*	40
United States			Twenty-First Century Fox, Inc.	1	41	EOG Resources, Inc.	1	168
Consumer Discretionary – 7.2%			Twenty-First Century Fox, Inc., Class A	2	104	Equitable Resources, Inc.	1	32
Advance Auto Parts, Inc.	—*	37	Ultra Beauty, Inc. (A)	—*	43	Exxon Mobil Corp.	9	807
Amazon.com, Inc. (A)	1	1,841	V.F. Corp.	1	73	Halliburton Co.	2	86
AutoZone, Inc. (A)	—*	61	Vail Resorts, Inc.	—*	29	Helmerich & Payne, Inc.	—*	25
Best Buy Co., Inc.	1	52	Viacom, Inc., Class B	1	34	Hess Corp.	1	54
Booking Holdings, Inc. (A)	—*	222	Walt Disney Co. (The)	3	389	HollyFrontier Corp.	—*	28
BorgWarner, Inc.	1	28	Whirlpool Corp.	—*	25	Kinder Morgan, Inc.	5	81
CarMax, Inc. (A)	1	39	Wynn Resorts Ltd.	—*	28	Marathon Oil Corp.	2	58
Carnival Corp.	1	58	YUM! Brands, Inc.	1	65	Marathon Petroleum Corp.	1	84
Carnival plc	—*	20			7,380	National Oilwell Varco, Inc.	1	44
CBS Corp., Class B	1	47				Noble Energy, Inc.	1	38
Charter Communications, Inc., Class A (A)	—*	123	Consumer Staples – 3.9%			Occidental Petroleum Corp.	2	138
Chipotle Mexican Grill, Inc., Class A (A)	—*	32	Altria Group, Inc.	4	265	ONEOK, Inc.	1	61
Coach, Inc.	1	35	Archer Daniels Midland Co.	1	52	Phillips 66	1	106
Comcast Corp., Class A	11	377	Brown-Forman Corp., Class B	1	32	Pioneer Natural Resources Co.	—*	77
D.R. Horton, Inc.	1	40	Bunge Ltd.	—*	22	Schlumberger Ltd.	3	206
Darden Restaurants, Inc.	—*	33	Campbell Soup Co. (B)	1	24	Targa Resources Corp.	1	37
Discovery, Inc. (A)	1	39	Church & Dwight Co., Inc.	1	44	Valero Energy Corp.	1	108
Dollar General Corp.	1	70	Clorox Co. (The)	—*	55	Williams Co., Inc. (The)	2	55
Dollar Tree, Inc. (A)	1	50	Coca-Cola Co. (The)	9	407			3,548
Domino's Pizza, Inc.	—*	30	Colgate-Palmolive Co.	2	127	Financials – 6.9%		
			ConAgra Foods, Inc.	1	33	Affiliated Managers Group, Inc.	—*	26
			Constellation Brands, Inc.	—*	81			
			Costco Wholesale Corp.	1	239			

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Financials (Continued)			Financials (Continued)			Health Care (Continued)		
Aflac, Inc.	1	\$ 71	Synchrony Financial	2	\$ 51	Regeneron Pharmaceuticals, Inc. (A) ...	—*	\$ 80
Alleghany Corp.	—*	34	T. Rowe Price Group, Inc.	1	63	ResMed, Inc.	—*	42
Allstate Corp. (The)	1	72	TD Ameritrade Holding Corp.	1	33	Shire plc	2	130
Ally Financial, Inc.	1	25	Travelers Co., Inc. (The)	1	78	Stryker Corp.	1	120
American Capital Agency Corp.	2	33	U.S. Bancorp	3	164	Teleflex, Inc.	—*	32
American Express Co.	1	151	Unum Group	1	31	Thermo Fisher Scientific, Inc.	1	221
American International Group, Inc.	2	107	Wells Fargo & Co.	10	551	UnitedHealth Group, Inc.	2	581
Ameriprise Financial, Inc.	—*	48	Zions Bancorp NA	—*	24	Universal Health Services, Inc.,		
Annaly Capital Management, Inc.	3	34			7,096	Class B	—*	35
Aon plc	1	80	Health Care — 8.1%			Varian Medical Systems, Inc. (A)	—*	26
Arthur J. Gallagher & Co.	—*	32	Abbott Laboratories	4	281	Veeva Systems, Inc., Class A (A)	—*	37
Bank of America Corp.	22	638	AbbVie, Inc.	4	341	Vertex Pharmaceuticals, Inc. (A)	1	116
Bank of New York Mellon Corp. (The) ...	2	107	Abiomed, Inc. (A)	—*	46	Waters Corp. (A)	—*	45
BB&T Corp.	2	82	Aetna, Inc.	1	139	Zimmer Holdings, Inc.	—*	63
Berkshire Hathaway, Inc., Class B (A) ...	3	596	Agilent Technologies, Inc.	1	56	Zoetis, Inc.	1	104
BlackRock, Inc., Class A	—*	114	Alexion Pharmaceuticals, Inc. (A)	1	79			8,360
Capital One Financial Corp.	1	97	Align Technology, Inc. (A)	—*	73	Industrials — 5.5%		
Charles Schwab Corp. (The)	3	140	Allergan plc	1	149	3M Co.	1	297
Chicago Board Options Exchange,			Amylin Pharmaceuticals, Inc. (A)	—*	22	A. O. Smith Corp.	—*	25
Inc.	—*	30	AmerisourceBergen Corp.	—*	37	AMETEK, Inc.	—*	39
Cincinnati Financial Corp.	—*	36	Amgen, Inc.	2	325	Arconic, Inc.	1	32
Citigroup, Inc.	6	407	Anthem, Inc.	1	160	Boeing Co. (The)	1	474
Citizens Financial Group, Inc.	1	47	Baxter International, Inc.	1	82	C.H. Robinson Worldwide, Inc.	—*	38
CME Group, Inc.	1	117	Becton Dickinson & Co.	1	153	Caterpillar, Inc.	1	214
Comerica, Inc.	—*	36	Biogen, Inc. (A)	—*	165	Cintas Corp.	—*	47
Discover Financial Services	1	60	BioMarin Pharmaceutical, Inc. (A)	1	50	Copart, Inc. (A)	1	33
E*TRADE Financial Corp. (A)	1	32	Boston Scientific Corp. (A)	3	119	CoStar Group, Inc. (A)	—*	38
Fidelity National Financial Inc	1	40	Bristol-Myers Squibb Co.	4	237	CSX Corp.	2	143
Fidelity National Information Services,			Cardinal Health, Inc.	1	43	Cummins, Inc.	—*	58
Inc.	1	75	Celgene Corp. (A)	2	149	Deere & Co.	1	105
Fifth Third Bancorp	2	43	Centene Corp. (A)	1	75	Dover Corp.	—*	37
First Republic Bank	—*	40	Cerner Corp. (A)	1	45	Eaton Corp.	1	81
Franklin Resources, Inc.	1	29	Cigna Corp.	1	124	Emerson Electric Co.	1	106
Goldman Sachs Group, Inc. (The)	1	169	Cooper Cos., Inc. (The)	—*	40	Equifax, Inc.	—*	51
Hartford Financial Services Group, Inc.			Da Vita, Inc. (A)	1	37	Expeditors International of Washington,		
(The)	1	36	DanaHER Corp.	1	143	Inc.	—*	36
Huntington Bancshares, Inc.	3	42	Dentsply Sirona, Inc.	1	28	Fastenal Co.	1	47
Intercontinental Exchange, Inc.	1	85	Edwards Lifesciences Corp. (A)	—*	82	FedEx Corp.	1	136
Invesco Ltd.	1	30	Eli Lilly and Co.	2	239	Fluor Corp.	1	32
JPMorgan Chase & Co.	8	853	Express Scripts, Inc. (A)	1	126	Fortive Corp. (B)	1	58
KeyCorp	3	51	Gilead Sciences, Inc.	3	239	Fortune Brands Home & Security,		
Lincoln National Corp.	1	40	HCA Holdings, Inc.	1	101	Inc.	1	35
Loews Corp.	1	35	Henry Schein, Inc. (A)	1	45	General Dynamics Corp.	1	103
M&T Bank Corp.	—*	56	Hologic, Inc. (A)	1	34	General Electric Co.	22	244
Markel Corp. (A)	—*	37	Humana, Inc.	—*	112	Harris Corp.	—*	55
Marsh & McLennan Cos., Inc.	1	86	IDEXX Laboratories, Inc. (A)	—*	59	HD Supply Holdings, Inc. (A)	1	30
MetLife, Inc.	2	88	Illumina, Inc. (A)	—*	126	Honeywell International, Inc.	2	268
Moody's Corp.	—*	60	Incyte Corp. (A)	1	36	Huntington Ingalls Industries, Inc.	—*	31
Morgan Stanley	3	129	Intuitive Surgical, Inc. (A)	—*	148	IDEX Corp.	—*	36
MSCI, Inc., Class A	—*	38	Johnson & Johnson	6	831	Illinois Tool Works, Inc.	1	100
NASDAQ, Inc.	—*	23	Laboratory Corp. of America			Ingersoll-Rand plc	1	58
Northern Trust Corp.	—*	47	Holdings (A)	—*	50	J.B. Hunt Transport Services, Inc.	—*	34
PNC Financial Services Group, Inc.			McKesson Corp.	1	66	Johnson Controls, Inc.	2	76
(The)	1	137	Merck & Co., Inc.	6	427	L3 Technologies, Inc.	—*	40
Principal Financial Group, Inc.	1	42	Mettler-Toledo International, Inc. (A) ...	—*	40	Lennox International, Inc.	—*	30
Progressive Corp. (The)	1	88	Mylan, Inc. (A)	1	50	Lockheed Martin Corp.	1	201
Prudential Financial, Inc.	1	96	Nektar Therapeutics (A)	—*	24	Masco Corp.	1	41
Raymond James Financial, Inc.	—*	33	Perrigo Co. Ltd.	—*	27	Nielsen Holdings plc	1	28
Regions Financial Corp.	3	49	Pfizer, Inc.	13	564	Norfolk Southern Corp.	1	116
S&P Global, Inc.	1	98	Quest Diagnostics, Inc.	—*	51	Northrop Grumman Corp.	—*	114
State Street Corp.	1	67	Quintiles Transnational Holdings,			Old Dominion Freight Line, Inc.	—*	29
SunTrust Banks, Inc.	1	68	Inc. (A)	—*	53	Owens Corning	—*	19
SVB Financial Group (A)	—*	39						

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COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Industrials (Continued)			Information Technology (Continued)			Materials (Continued)		
PACCAR, Inc.	1	\$ 62	GoDaddy, Inc., Class A (A)	—*	\$ 35	Eastman Chemical Co.	—*	\$ 29
Parker Hannifin Corp.	—*	66	Hewlett Packard Enterprise Co.	4	66	Ecolab, Inc.	1	81
Raytheon Co.	1	126	Hewlett-Packard Co.	4	92	FMC Corp.	—*	33
Republic Services, Inc., Class A	—*	34	IAC/InterActiveCorp (A)	—*	43	Freeport-McMoRan Copper & Gold, Inc., Class B	3	44
Rockwell Automation, Inc.	—*	61	Intel Corp.	10	494	International Flavors & Fragrances, Inc.	—*	37
Rockwell Collins, Inc.	—*	51	International Business Machines Corp.	2	312	International Paper Co.	1	48
Roper Industries, Inc.	—*	66	Intuit, Inc.	—*	107	LyondellBasell Industries N.V., Class A	1	77
Sensata Technologies Holding N.V. (A)	1	30	IPG Photonics Corp. (A)	—*	16	Martin Marietta Materials, Inc.	—*	27
Spirit AeroSystems Holdings, Inc.	—*	32	Keysight Technologies, Inc. (A)	1	38	Newmont Mining Corp.	1	36
Stanley Black & Decker, Inc.	—*	56	KLA-Tencor Corp.	—*	42	Nucor Corp.	1	48
Textron, Inc.	1	44	Lam Research Corp.	—*	56	Packaging Corp. of America	—*	29
TransDigm Group, Inc. (A)	—*	43	Marvell Technology Group Ltd.	1	22	PPG Industries, Inc.	1	68
TransUnion	—*	32	MasterCard, Inc., Class A	2	450	Praxair, Inc.	1	109
Union Pacific Corp.	2	296	Maxim Integrated Products, Inc.	1	43	Sealed Air Corp.	1	24
United Parcel Service, Inc., Class B	2	180	Microchip Technology, Inc. (B)	1	48	Sherwin-Williams Co. (The)	—*	83
United Rentals, Inc. (A)	—*	42	Micron Technology, Inc. (A)	2	106	Steel Dynamics, Inc.	1	28
United Technologies Corp.	2	239	Microsoft Corp.	16	1,837	Vulcan Materials Co.	—*	35
Verisk Analytics, Inc., Class A (A)	—*	40	Motorola, Inc.	—*	54	WestRock Co.	1	34
W.W. Grainger, Inc.	—*	48	NetApp, Inc.	1	62	Weyerhaeuser Co.	1	48
Waste Connections, Inc.	1	59	NVIDIA Corp.	1	352			1,488
Waste Management, Inc.	1	85	ON Semiconductor Corp. (A)	1	21			
Westinghouse Air Brake Technologies Corp.	—*	36	Oracle Corp.	7	350	Real Estate – 1.3%		
XPO Logistics, Inc. (A)	—*	35	Palo Alto Networks, Inc. (A)	—*	54	Alexandria Real Estate Equities, Inc.	—*	30
Xylem, Inc.	—*	38	Paychex, Inc.	1	42	American Tower Corp., Class A	1	139
		5,616	PayPal, Inc. (A)	3	235	AvalonBay Communities, Inc.	—*	54
			QUALCOMM, Inc.	3	249	Boston Properties, Inc.	—*	43
Information Technology – 14.6%			Red Hat, Inc. (A)	—*	58	CB Richard Ellis Group, Inc. (A)	1	34
Activision Blizzard, Inc.	2	136	RF Micro Devices, Inc. (A)	—*	29	Crown Castle International Corp.	1	97
Adobe Systems, Inc. (A)	1	301	salesforce.com, Inc. (A)	2	249	Digital Realty Trust, Inc.	—*	55
Advanced Micro Devices, Inc. (A)(B)	2	72	Seagate Technology	1	33	Duke Realty Corp.	1	25
Akamai Technologies, Inc. (A)	—*	34	ServiceNow, Inc. (A)	—*	84	Equinix, Inc.	—*	80
Alliance Data Systems Corp.	—*	33	Skyworks Solutions, Inc.	—*	43	Equity Residential	1	51
Alphabet, Inc., Class A (A)	1	806	Splunk, Inc. (A)	—*	43	Essex Property Trust, Inc.	—*	38
Alphabet, Inc., Class C (A)	1	844	Square, Inc., Class A (A)	1	76	Federal Realty Investment Trust	—*	36
Amphenol Corp., Class A	1	62	SS&C Technologies Holdings, Inc.	1	32	HCP, Inc.	1	34
Analog Devices, Inc.	1	79	Symantec Corp.	2	33	Hilton Worldwide Holdings, Inc.	1	54
ANSYS, Inc. (A)	—*	42	Synopsys, Inc. (A)	—*	35	Host Hotels & Resorts, Inc.	2	33
Apple, Inc.	11	2,565	Take-Two Interactive Software, Inc. (A)	—*	40	Mid-America Apartment Communities, Inc.	—*	33
Applied Materials, Inc.	2	92	TE Connectivity Ltd.	1	75	ProLogis, Inc.	1	74
Arista Networks, Inc. (A)	—*	32	Texas Instruments, Inc.	2	244	Public Storage, Inc.	—*	58
Autodesk, Inc. (A)	1	83	Total System Services, Inc.	—*	37	Realty Income Corp.	1	41
Automatic Data Processing, Inc.	1	145	Trimble Navigation Ltd. (A)	1	36	Regency Centers Corp.	—*	31
Broadcom Corp., Class A	1	229	Twitter, Inc. (A)	2	47	Simon Property Group, Inc.	1	117
Broadridge Financial Solutions, Inc.	—*	33	VeriSign, Inc. (A)	—*	42	SL Green Realty Corp.	—*	24
Cadence Design Systems, Inc. (A)	1	39	Visa, Inc., Class A	4	570	UDR, Inc.	1	33
CDW Corp.	—*	33	VMware, Inc., Class A (A)	—*	28	Ventas, Inc.	1	48
Cisco Systems, Inc.	11	522	Western Digital Corp.	1	38	Vornado Realty Trust	—*	33
Citrix Systems, Inc. (A)	—*	42	Western Union Co. (The)	1	27	Welltower, Inc.	1	59

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COMMON STOCKS (Continued)	Shares	Value	PREFERRED STOCKS	Shares	Value	SHORT-TERM SECURITIES	Principal	Value
Utilities – 1.3%			Germany			Master Note – 0.4%		
Ameren Corp.	1	\$ 34	Consumer Discretionary – 0.1%			Toyota Motor Credit Corp. (1-Month		
American Electric Power Co., Inc.	1	65	Volkswagen AG, 2.260%	—*	\$ 87	U.S. LIBOR plus 15 bps)		
American Water Works Co., Inc.	—*	35				2.470%, 10–5–18 (D)	\$454	\$ 454
CenterPoint Energy, Inc.	1	31	Consumer Staples – 0.1%					
CMS Energy Corp.	1	28	Henkel AG & Co. KGaA	1	74	Money Market Funds – 0.6%		
Consolidated Edison, Inc.	1	42				Dreyfus Institutional Preferred		
Dominion Energy, Inc.	1	104	Total Germany – 0.2%		161	Government Money Market		
DTE Energy Co.	—*	35	South Korea			Fund - Institutional Shares		
Duke Energy Corp.	1	103	Information Technology – 0.1%			2.140%, (E)(F)	575	575
Edison International	1	58	Samsung Electronics Co. Ltd.	2	61			
Entergy Corp.	—*	29				TOTAL SHORT-TERM SECURITIES – 1.0%		\$ 1,029
Eversource Energy	1	41	Total South Korea – 0.1%		61	(Cost: \$1,029)		
Exelon Corp.	2	78	TOTAL PREFERRED STOCKS – 0.3%		\$222	TOTAL INVESTMENT SECURITIES – 100.7%		\$103,679
FirstEnergy Corp.	1	41	(Cost: \$229)			(Cost: \$95,548)		
NextEra Energy, Inc.	1	151				LIABILITIES, NET OF CASH AND OTHER		
PG&E Corp.	1	64				ASSETS – (0.7)%		(728)
PPL Corp.	2	53				NET ASSETS – 100.0%		\$102,951
Public Service Enterprise Group,								
Inc.	1	54						
Sempra Energy	1	61						
Southern Co. (The)	2	91						
WEC Energy Group, Inc.	1	43						
Xcel Energy, Inc.	1	43						
		<u>1,284</u>						
Total United States – 54.8%		56,447						
TOTAL COMMON STOCKS – 99.4%		\$102,428						
(Cost: \$94,290)								

Notes to Schedule of Investments

*Not shown due to rounding.

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

(B)All or a portion of securities with an aggregate value of \$817 are on loan.

(C)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2018 the total value of these securities amounted to \$220 or 0.2% of net assets.

(D)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(E)Rate shown is the annualized 7-day yield at September 30, 2018.

(F)Investment made with cash collateral received from securities on loan.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$102,428	\$ —	\$ —
Preferred Stocks	222	—	—
Short-Term Securities	575	454	—
Total	\$103,225	\$454	\$ —

SEPTEMBER 30, 2018

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts

LIBOR = London Interbank Offered Rate

Market Sector Diversification

(as a % of net assets)

Information Technology	19.7%
Financials	17.1%
Health Care	12.0%
Consumer Discretionary	11.8%
Industrials	10.8%
Consumer Staples	7.9%
Energy	7.1%
Materials	4.9%
Real Estate	3.0%
Telecommunication Services	2.8%
Utilities	2.6%
Other+	0.3%

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

PORTFOLIO HIGHLIGHTS

IVY PROSHARES RUSSELL 2000 DIVIDEND GROWERS INDEX FUND

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	99.8%
Utilities	24.7%
Industrials	18.3%
Financials	15.8%
Consumer Staples	11.3%
Materials	8.5%
Health Care	6.6%
Real Estate	6.4%
Consumer Discretionary	5.1%
Information Technology	3.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	0.2%

Top 10 Equity Holdings

Company	Sector	Industry
Compass Minerals International, Inc.	Materials	Diversified Metals & Mining
Lindsay Corp.	Industrials	Agricultural & Farm Machinery
Atrion Corp.	Health Care	Health Care Supplies
Universal Corp.	Consumer Staples	Tobacco
Aaron Rents, Inc.	Consumer Discretionary	Homefurnishing Retail
Quaker Chemical Corp.	Materials	Specialty Chemicals
Sensient Technologies Corp.	Materials	Specialty Chemicals
Brady Corp., Class A	Industrials	Commercial Printing
South Jersey Industries, Inc.	Utilities	Gas Utilities
SJW Corp.	Utilities	Water Utilities

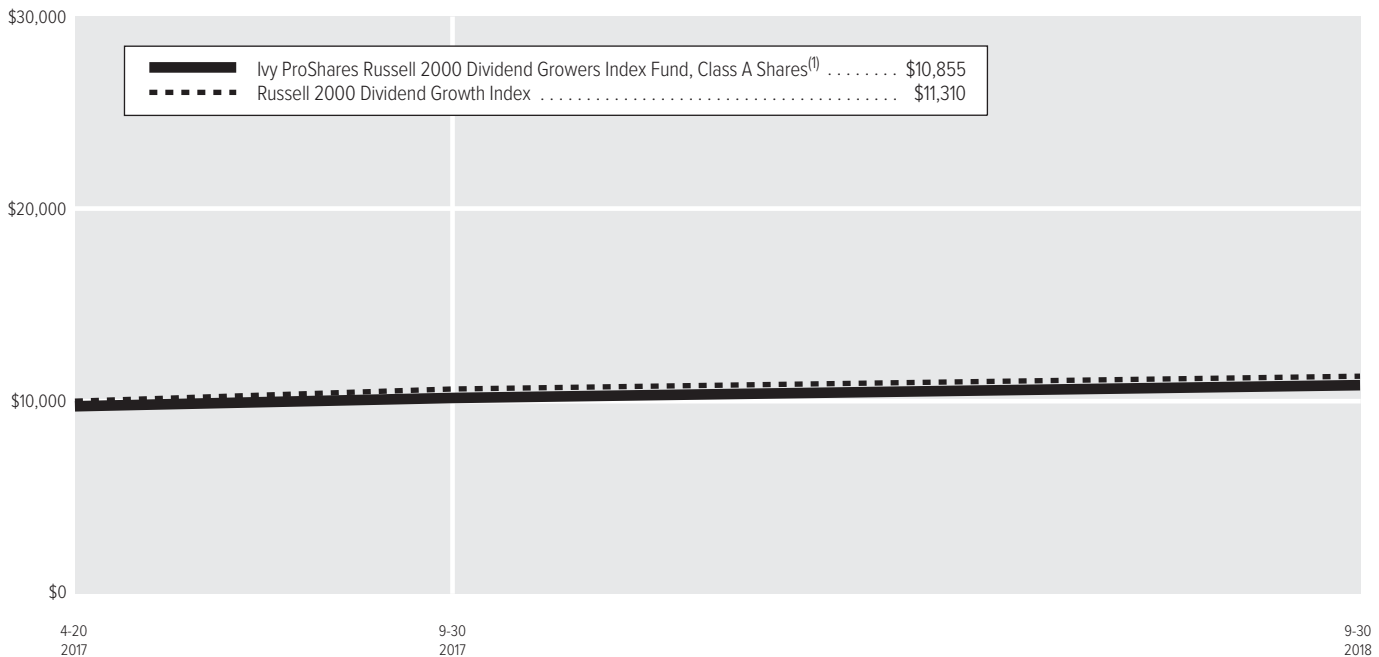
See your advisor or www.ivyinvestments.com for more information on the Fund's most recently published Top 10 Equity Holdings.

⁺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 PROSHARES RUSSELL 2000 DIVIDEND GROWERS INDEX 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 E	Class I	Class N	Class R
1-year period ended 9-30-18	3.84%	3.95%	6.79%	6.79%	6.05%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	5.84%	5.94%	7.98%	7.98%	7.22%

(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.ivyinvestments.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 I, Class N and Class R 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) 4-20-17 for Class A shares, 4-20-17 for Class E shares, 4-20-17 for Class I shares, 4-20-17 for Class N shares and 4-20-17 for Class R 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 IVY PROSHARES RUSSELL 2000 DIVIDEND GROWERS INDEX FUND *(in thousands)*

INVESTMENTS

SEPTEMBER 30, 2018

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary			Health Care Services – 1.7%			Real Estate		
Homefurnishing Retail – 1.8%			Ensign Group, Inc. (The)	60	\$ 2,289	Health Care REITs – 3.2%		
Aaron Rents, Inc.	44	\$ 2,419				National Health Investors, Inc.	29	\$ 2,195
			Health Care Supplies – 1.8%			Universal Health Realty Income Trust	30	2,219
Leisure Facilities – 1.6%			Atrion Corp.	4	2,455			4,414
International Speedway Corp., Class A	51	2,228				Retail REITs – 3.2%		
			Total Health Care – 6.6%		9,009	Tanger Factory Outlet Centers, Inc.	97	2,218
Publishing – 1.7%			Industrials			Urstadt Biddle Properties, Inc., Class A	100	2,125
Meredith Corp. (A)	44	2,255	Agricultural & Farm Machinery – 1.8%					4,343
			Lindsay Corp.	25	2,464	Total Real Estate – 6.4%		8,757
Total Consumer Discretionary – 5.1%		6,902	Commercial Printing – 1.8%			Utilities		
Consumer Staples			Brady Corp., Class A	54	2,379	Electric Utilities – 3.3%		
Food Distributors – 1.6%						ALLETE, Inc.	30	2,231
Andersons, Inc. (The)	56	2,106	Diversified Support Services – 4.8%			Portland General Electric Co.	48	2,180
			Healthcare Services Group, Inc. (A)	54	2,202			4,411
Packaged Foods & Meats – 6.4%			Matthews International Corp.	43	2,154	Gas Utilities – 9.8%		
Calavo Growers, Inc.	21	2,028	McGrath RentCorp	40	2,200	Chesapeake Utilities Corp.	26	2,152
J&J Snack Foods Corp.	15	2,289			6,556	New Jersey Resources Corp.	48	2,217
Lancaster Colony Corp.	14	2,131	Environmental & Facilities Services – 1.6%			Northwest Natural Gas Co.	34	2,267
Tootsie Roll Industries, Inc. (A)	79	2,299	ABM Industries, Inc.	67	2,148	South Jersey Industries, Inc.	67	2,367
		8,747				Southwest Gas Corp.	28	2,211
Tobacco – 3.3%			Industrial Machinery – 4.9%			Spire, Inc.	30	2,184
Universal Corp.	37	2,430	Franklin Electric Co., Inc.	46	2,184			13,398
Vector Group Ltd.	150	2,073	Gorman-Rupp Co. (The)	62	2,246	Independent Power Producers & Energy Traders – 1.6%		
		4,503	Hillenbrand, Inc.	44	2,283	Black Hills Corp.	38	2,200
Total Consumer Staples – 11.3%		15,356			6,713			
Financials			Office Services & Supplies – 1.7%			Multi-Utilities – 3.2%		
Life & Health Insurance – 1.6%			MSA Safety, Inc.	22	2,321	Avista Corp.	44	2,205
American Equity Investment Life Holding Co.	63	2,217				NorthWestern Corp.	37	2,184
			Trading Companies & Distributors – 1.7%					4,389
Property & Casualty Insurance – 1.7%			GATX Corp.	27	2,343	Water Utilities – 6.8%		
RLI Corp.	29	2,257				California Water Service Group	54	2,310
			Total Industrials – 18.3%		24,924	Connecticut Water Service, Inc.	33	2,270
Regional Banks – 12.5%			Information Technology			Middlesex Water Co.	48	2,333
BancFirst Corp.	36	2,131	Data Processing & Outsourced Services – 1.5%			SJW Corp.	39	2,364
Bank of Marin Bancorp	26	2,149	Cass Information Systems, Inc.	32	2,079			9,277
Community Bank System, Inc.	34	2,082				Total Utilities – 24.7%		33,675
First of Long Island Corp. (The)	103	2,233	Electronic Equipment & Instruments – 1.6%			TOTAL COMMON STOCKS – 99.8%		\$135,930
Southside Bancshares, Inc.	62	2,151	Badger Meter, Inc.	41	2,151	(Cost: \$127,995)		
Tompkins Financial Corp.	26	2,086						
UMB Financial Corp.	30	2,112	Total Information Technology – 3.1%		4,230			
United Bankshares, Inc.	57	2,077	Materials					
		17,021	Diversified Metals & Mining – 1.8%					
Total Financials – 15.8%		21,495	Compass Minerals International, Inc.	37	2,465			
Health Care								
Health Care Distributors – 1.5%			Specialty Chemicals – 6.7%					
Owens & Minor, Inc. (A)	125	2,060	H.B. Fuller Co.	41	2,093			
			Quaker Chemical Corp.	12	2,409			
Health Care Facilities – 1.6%			Sensient Technologies Corp.	31	2,389			
National HealthCare Corp.	29	2,205	Stepan Co.	26	2,226			
					9,117			
			Total Materials – 8.5%		11,582			

SCHEDULE OF IVY PROSHARES RUSSELL 2000 DIVIDEND GROWERS INDEX FUND *(in thousands)*

INVESTMENTS

SEPTEMBER 30, 2018

SHORT-TERM SECURITIES	Principal	Value
Master Note – 0.0%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10–5–18 (B)	\$ 15	\$ 15
Money Market Funds – 1.5%		
Dreyfus Institutional Preferred Government Money Market Fund - Institutional Shares, 2.140%, (C)(D)	2,087	2,087
TOTAL SHORT-TERM SECURITIES – 1.5%	\$	2,102
(Cost: \$2,102)		
TOTAL INVESTMENT SECURITIES – 101.3%		\$138,032
(Cost: \$130,097)		
LIABILITIES, NET OF CASH AND OTHER		
ASSETS – (1.3)%		(1,736)
NET ASSETS – 100.0%		\$136,296

Notes to Schedule of Investments

(A)All or a portion of securities with an aggregate value of \$5,848 are on loan.

(B)Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(C)Investment made with cash collateral received from securities on loan.

(D)Rate shown is the annualized 7-day yield at September 30, 2018.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$135,930	\$—	\$ —
Short-Term Securities	2,087	15	—
Total	\$ 138,017	\$15	\$ —

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

LIBOR = London Interbank Offered Rate

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Bonds	98.6%
Corporate Debt Securities	98.6%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.4%

Quality Weightings

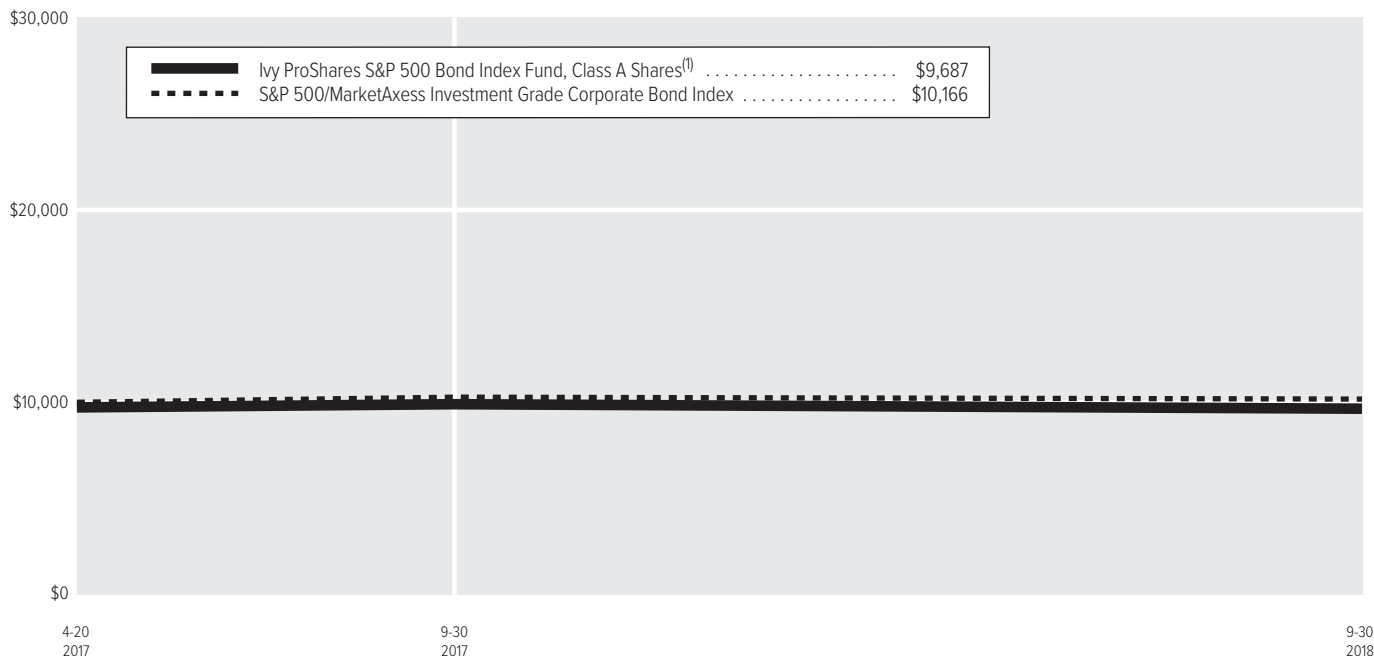
Investment Grade	98.6%
AAA	3.4%
AA	7.1%
A	41.3%
BBB	46.8%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.4%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. 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 IVY PROSHARES S&P 500 BOND INDEX FUND \$10,000 INVESTMENT

(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 E	Class I	Class N	Class R
1-year period ended 9-30-18	-4.72%	-4.67%	-2.02%	-2.11%	-2.76%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	-2.17%	-2.12%	-0.19%	-0.18%	-0.90%

(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.ivyinvestments.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 I, Class N and Class R 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) 4-20-17 for Class A shares, 4-20-17 for Class E shares, 4-20-17 for Class I shares, 4-20-17 for Class N shares and 4-20-17 for Class R 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 PROSHARES S&P 500 BOND INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES	Principal	Value
Consumer Discretionary		
Automobile Manufacturers – 2.0%		
Ford Motor Co.:		
4.346%, 12–8–26	\$550	\$ 518
4.750%, 1–15–43	200	167
5.291%, 12–8–46 (A)	150	133
General Motors Co.:		
4.875%, 10–2–23	531	544
5.200%, 4–1–45 (A)	200	182
		<u>1,544</u>
Broadcasting – 1.3%		
Discovery Communications LLC,		
3.950%, 3–20–28	200	190
Discovery Communications, Inc.,		
5.200%, 9–20–47	200	196
NBCUniversal Media LLC,		
4.375%, 4–1–21	560	574
		<u>960</u>
Cable & Satellite – 2.0%		
Comcast Corp. (GTD by Comcast Cable		
Communications and		
NBCUniversal):		
5.150%, 3–1–20	50	52
3.000%, 2–1–24	450	434
3.150%, 3–1–26	300	283
Comcast Corp. (GTD by Comcast Cable		
Communications and NBCUniversal):		
3.550%, 5–1–28	100	95
4.250%, 1–15–33	300	294
4.000%, 3–1–48	100	90
Time Warner, Inc. (GTD by Historic TW,		
Inc.):		
3.800%, 2–15–27	200	191
4.850%, 7–15–45	105	98
		<u>1,537</u>
General Merchandise Stores – 0.2%		
Dollar Tree, Inc.,		
3.700%, 5–15–23	150	148
		<u>148</u>
Home Improvement Retail – 1.0%		
Home Depot, Inc. (The):		
5.875%, 12–16–36	300	366
3.900%, 6–15–47	245	235
Lowe's Co., Inc.,		
3.700%, 4–15–46	183	166
		<u>767</u>
Housewares & Specialties – 0.5%		
Newell Rubbermaid, Inc.:		
3.850%, 4–1–23	300	293
5.500%, 4–1–46	50	48
		<u>341</u>
Internet & Direct Marketing Retail – 0.8%		
Amazon.com, Inc.:		
2.800%, 8–22–24	400	386
3.875%, 8–22–37	250	245
		<u>631</u>

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Restaurants – 1.2%		
McDonalds Corp.:		
2.625%, 1–15–22	\$300	\$ 292
4.450%, 9–1–48	200	197
Starbucks Corp.:		
3.800%, 8–15–25	200	199
4.000%, 11–15–28	200	199
		<u>887</u>
Total Consumer Discretionary – 9.0%		6,815
Consumer Staples		
Brewers – 0.1%		
Molson Coors Brewing Co.,		
4.200%, 7–15–46	107	95
		<u>95</u>
Drug Retail – 3.5%		
CVS Caremark Corp.,		
3.875%, 7–20–25	150	148
CVS Health Corp.:		
2.800%, 7–20–20	200	198
3.350%, 3–9–21	500	499
2.125%, 6–1–21	386	372
3.500%, 7–20–22	150	149
4.100%, 3–25–25	660	658
4.300%, 3–25–28	430	426
5.050%, 3–25–48	200	204
		<u>2,654</u>
Food Retail – 0.1%		
Kroger Co. (The),		
4.450%, 2–1–47 (A)	100	92
		<u>92</u>
Hypermarkets & Super Centers – 1.4%		
Wal-Mart Stores, Inc.:		
1.900%, 12–15–20	100	98
2.550%, 4–11–23	377	365
3.625%, 12–15–47	100	94
Walmart, Inc.:		
3.400%, 6–26–23	250	251
3.950%, 6–28–38	250	249
		<u>1,057</u>
Packaged Foods & Meats – 1.7%		
Campbell Soup Co.,		
3.950%, 3–15–25	240	232
General Mills, Inc.,		
3.700%, 10–17–23	290	288
Kraft Heinz Foods Co.:		
3.500%, 6–6–22	150	149
3.950%, 7–15–25	150	148
3.000%, 6–1–26	120	110
4.375%, 6–1–46	320	282
Tyson Foods, Inc. (GTD by Tyson		
Fresh Meats, Inc.),		
3.550%, 6–2–27	100	94
		<u>1,303</u>

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Soft Drinks – 0.6%		
PepsiCo, Inc.:		
3.000%, 10–15–27 (A)	\$200	\$ 191
4.450%, 4–14–46	250	263
		<u>454</u>
Tobacco – 1.0%		
Altria Group, Inc. (GTD by Philip Morris		
USA, Inc.):		
2.850%, 8–9–22	200	196
3.875%, 9–16–46	300	263
Philip Morris International, Inc.,		
6.375%, 5–16–38	250	300
		<u>759</u>
Total Consumer Staples – 8.4%		6,414
Energy		
Integrated Oil & Gas – 1.1%		
Chevron Corp.:		
1.961%, 3–3–20	100	99
2.355%, 12–5–22	200	193
2.954%, 5–16–26	340	324
Phillips 66 (GTD by Phillips 66 Co.),		
4.875%, 11–15–44	250	259
		<u>875</u>
Oil & Gas Equipment & Services – 1.0%		
Baker Hughes, a GE Co. LLC and		
Baker Hughes Co-Obligor, Inc.,		
4.080%, 12–15–47	450	408
Halliburton Co.,		
5.000%, 11–15–45	250	266
Schlumberger Investment S.A. (GTD by		
Schlumberger Ltd.),		
3.650%, 12–1–23	100	101
		<u>775</u>
Oil & Gas Exploration & Production – 1.8%		
Apache Corp.,		
4.375%, 10–15–28	200	196
Cimarex Energy Co.,		
3.900%, 5–15–27	150	143
EQT Corp.,		
3.900%, 10–1–27	100	94
Exxon Mobil Corp.:		
3.043%, 3–1–26	280	271
4.114%, 3–1–46	375	380
Noble Energy, Inc.,		
5.050%, 11–15–44	100	97
Occidental Petroleum Corp.,		
4.200%, 3–15–48	195	192
		<u>1,373</u>
Oil & Gas Storage & Transportation – 1.6%		
Kinder Morgan, Inc.:		
4.300%, 6–1–25	253	255
5.550%, 6–1–45	200	211
MPLX L.P.:		
4.000%, 3–15–28	180	173
4.500%, 4–15–38	285	268
4.700%, 4–15–48	140	131

SCHEDULE OF INVESTMENTS

IVY PROSHARES S&P 500 BOND INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Oil & Gas Storage & Transportation (Continued)		
Williams Partners L.P., 4.300%, 3-4-24	\$ 160	\$ 162
		<u>1,200</u>
Total Energy – 5.5%		4,223
Financials		
Asset Management & Custody Banks – 0.1%		
State Street Corp., 2.550%, 8-18-20	100	99
Consumer Finance – 4.7%		
American Express Co., 3.400%, 2-27-23	250	246
American Express Credit Corp.: 2.200%, 3-3-20	190	188
2.375%, 5-26-20	460	454
3.300%, 5-3-27	204	196
Capital One Financial Corp.: 3.200%, 1-30-23	300	290
3.750%, 7-28-26	643	600
Discover Bank, 3.100%, 6-4-20	250	249
Ford Motor Credit Co. LLC, 3.815%, 11-2-27	500	447
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.): 3.200%, 7-13-20	331	330
3.150%, 6-30-22	300	292
4.350%, 1-17-27	160	153
Synchrony Financial, 3.950%, 12-1-27	150	136
		<u>3,581</u>
Diversified Banks – 8.6%		
Bank of America Corp.: 2.151%, 11-9-20	161	157
4.200%, 8-26-24	252	253
3.950%, 4-21-25	105	103
4.450%, 3-3-26	150	150
4.250%, 10-22-26	251	248
3.248%, 10-21-27	705	656
4.183%, 11-25-27	805	785
Bank of New York Mellon Corp. (The), 2.200%, 8-16-23	400	375
BB&T Corp., 3.700%, 6-5-25	250	249
U.S. Bancorp.: 3.150%, 4-27-27	390	372
3.900%, 4-26-28	200	202
Wells Fargo & Co.: 2.600%, 7-22-20	116	115
2.550%, 12-7-20	205	202
2.500%, 3-4-21	260	255
3.500%, 3-8-22	246	246
3.069%, 1-24-23	152	148
3.000%, 2-19-25	110	104
4.100%, 6-3-26	150	148
3.000%, 10-23-26	310	287
4.300%, 7-22-27	220	219

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Diversified Banks (Continued)		
5.606%, 1-15-44	\$ 178	\$ 196
3.900%, 5-1-45	208	193
4.400%, 6-14-46	255	240
4.750%, 12-7-46	375	373
Wells Fargo Bank N.A., 3.550%, 8-14-23	250	249
		<u>6,525</u>
Investment Banking & Brokerage – 8.6%		
Goldman Sachs Group, Inc. (The): 2.300%, 12-13-19	334	331
5.375%, 3-15-20	150	155
2.600%, 4-23-20	150	149
2.750%, 9-15-20	250	247
2.625%, 4-25-21	150	147
2.350%, 11-15-21	200	193
5.750%, 1-24-22	150	160
3.000%, 4-26-22	500	490
3.200%, 2-23-23	340	332
4.250%, 10-21-25	150	149
3.500%, 11-16-26	150	142
3.850%, 1-26-27	255	247
6.750%, 10-1-37	300	360
5.150%, 5-22-45	200	204
4.750%, 10-21-45	211	214
Morgan Stanley: 2.650%, 1-27-20	550	546
2.800%, 6-16-20	550	546
2.500%, 4-21-21	150	147
2.625%, 11-17-21	170	165
2.750%, 5-19-22	245	238
4.100%, 5-22-23	264	266
4.000%, 7-23-25	200	199
3.875%, 1-27-26	203	199
4.350%, 9-8-26	282	280
3.950%, 4-23-27	190	182
4.375%, 1-22-47	250	243
		<u>6,531</u>
Life & Health Insurance – 0.3%		
Brighthouse Financial, Inc., 4.700%, 6-22-47	260	215
Multi-Line Insurance – 0.6%		
American International Group, Inc.: 4.200%, 4-1-28	100	99
4.750%, 4-1-48	330	322
		<u>421</u>
Other Diversified Financial Services – 7.6%		
Citigroup, Inc.: 2.450%, 1-10-20	300	298
2.400%, 2-18-20	775	767
2.650%, 10-26-20	105	104
2.700%, 3-30-21	100	98
2.900%, 12-8-21	610	597
3.400%, 5-1-26	350	332
3.200%, 10-21-26	250	233
JPMorgan Chase & Co.: 2.250%, 1-23-20	613	607
4.250%, 10-15-20	185	189

CORPORATE DEBT SECURITIES

(Continued)

	Principal	Value
Other Diversified Financial Services (Continued)		
2.550%, 3-1-21	\$200	\$ 196
2.295%, 8-15-21	200	194
4.350%, 8-15-21	150	154
3.250%, 9-23-22	300	297
2.972%, 1-15-23	510	497
2.700%, 5-18-23	230	221
3.875%, 9-10-24	150	148
2.950%, 10-1-26	405	376
4.125%, 12-15-26	140	139
3.625%, 12-1-27	155	146
4.950%, 6-1-45	215	225
		<u>5,818</u>
Property & Casualty Insurance – 0.8%		
Berkshire Hathaway, Inc., 2.750%, 3-15-23	322	314
Chubb INA Holdings, Inc., 3.350%, 5-3-26	290	282
		<u>596</u>
Regional Banks – 1.1%		
Fifth Third Bancorp. 2.875%, 7-27-20	200	199
KeyCorp. 4.100%, 4-30-28	150	149
PNC Bank N.A.: 2.000%, 5-19-20	250	245
3.500%, 6-8-23	250	249
		<u>842</u>
Total Financials – 32.4%		24,628
Health Care		
Biotechnology – 2.4%		
Amgen, Inc.: 2.650%, 5-11-22	100	97
3.625%, 5-22-24	150	150
4.400%, 5-1-45	190	183
4.663%, 6-15-51	150	148
Biogen, Inc.: 2.900%, 9-15-20	110	109
5.200%, 9-15-45	150	159
Gilead Sciences, Inc.: 2.550%, 9-1-20	708	701
4.150%, 3-1-47	301	285
		<u>1,832</u>
Health Care Supplies – 2.1%		
Abbott Laboratories: 2.900%, 11-30-21	230	227
3.750%, 11-30-26	156	155
4.900%, 11-30-46	340	369
Express Scripts Holding Co., 3.400%, 3-1-27	140	130
Medtronic, Inc. (GTD by Medtronic Global Holdings SCA and Medtronic plc): 2.500%, 3-15-20	350	348
4.375%, 3-15-35	100	103
4.625%, 3-15-45	225	238
		<u>1,570</u>

SCHEDULE OF INVESTMENTS

IVY PROSHARES S&P 500 BOND INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Life Sciences Tools & Services – 0.2%		
Thermo Fisher Scientific, Inc.:		
3.200%, 8–15–27	\$ 100	\$ 93
4.100%, 8–15–47	100	94
		<u>187</u>
Managed Health Care – 1.2%		
Aetna, Inc.,		
2.800%, 6–15–23	253	243
Anthem, Inc.,		
3.650%, 12–1–27	240	228
UnitedHealth Group, Inc.:		
3.500%, 6–15–23	235	235
3.750%, 7–15–25	200	201
		<u>907</u>
Pharmaceuticals – 6.1%		
AbbVie, Inc.:		
2.300%, 5–14–21	659	641
2.900%, 11–6–22	295	287
3.600%, 5–14–25	150	145
4.500%, 5–14–35	150	144
4.450%, 5–14–46	282	261
Actavis Funding SCS (GTD by Warner Chilcott Ltd., Actavis Capital S.a.r.l. and Actavis, Inc.):		
3.000%, 3–12–20	200	200
3.450%, 3–15–22	175	174
3.800%, 3–15–25	100	98
4.850%, 6–15–44	190	187
Allergan Funding SCS (GTD by Warner Chilcott Ltd., Allergan Capital S.a.r.l. and Allergan Finance LLC),		
4.550%, 3–15–35	175	170
Celgene Corp.,		
2.875%, 8–15–20	305	303
Johnson & Johnson:		
3.400%, 1–15–38	135	125
3.500%, 1–15–48	250	229
Merck & Co., Inc.:		
2.800%, 5–18–23	270	264
2.750%, 2–10–25	145	140
Mylan N.V.:		
3.950%, 6–15–26	150	142
5.250%, 6–15–46	150	140
Pfizer, Inc.:		
3.000%, 9–15–21	300	300
4.125%, 12–15–46	100	99
Walgreens Boots Alliance, Inc.,		
3.450%, 6–1–26	450	427
Wyeth LLC,		
5.950%, 4–1–37	150	181
		<u>4,657</u>
Total Health Care – 12.0%		9,153
Industrials		
Aerospace & Defense – 2.6%		
General Dynamics Corp.,		
3.500%, 5–15–25	300	299
Lockheed Martin Corp.:		
2.500%, 11–23–20	100	99
3.550%, 1–15–26	230	227

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

Aerospace & Defense (Continued)		
Northrop Grumman Corp.:		
2.080%, 10–15–20	\$ 190	\$ 186
4.030%, 10–15–47	180	168
United Technologies Corp.:		
3.950%, 8–16–25	460	457
4.500%, 6–1–42	301	298
4.625%, 11–16–48	235	235
		<u>1,969</u>
Air Freight & Logistics – 0.2%		
United Parcel Service, Inc.,		
2.500%, 4–1–23	200	193
		<u>193</u>
Industrial Conglomerates – 2.2%		
GE Capital International Funding Co.,		
4.418%, 11–15–35	200	187
General Electric Capital Corp.:		
2.342%, 11–15–20	200	195
5.875%, 1–14–38	400	446
General Electric Co.:		
2.700%, 10–9–22	405	391
4.500%, 3–11–44	312	294
Honeywell International, Inc.,		
1.850%, 11–1–21	150	144
		<u>1,657</u>
Railroads – 1.0%		
Burlington Northern Santa Fe LLC,		
4.050%, 6–15–48	250	243
Union Pacific Corp.:		
4.375%, 9–10–38	250	254
4.500%, 9–10–48	250	254
		<u>751</u>
Total Industrials – 6.0%		4,570
Information Technology		
Application Software – 0.4%		
NVIDIA Corp.,		
2.200%, 9–16–21	150	146
salesforce.com, Inc.,		
3.250%, 4–11–23	150	149
		<u>295</u>
Communications Equipment – 0.7%		
Cisco Systems, Inc.:		
4.450%, 1–15–20	394	402
5.900%, 2–15–39	100	124
		<u>526</u>
Data Processing & Outsourced Services – 0.8%		
Visa, Inc.:		
2.200%, 12–14–20	300	295
4.300%, 12–14–45	313	324
		<u>619</u>
IT Consulting & Other Services – 1.1%		
IBM Credit LLC,		
2.650%, 2–5–21	300	297

CORPORATE DEBT SECURITIES

(Continued)

Principal Value

IT Consulting & Other Services (Continued)		
International Business Machines Corp.:		
2.500%, 1–27–22	\$ 300	\$ 292
3.625%, 2–12–24	235	236
		<u>825</u>
Semiconductor Equipment – 0.1%		
Applied Materials, Inc.,		
4.350%, 4–1–47	100	99
		<u>99</u>
Semiconductors – 2.9%		
Broadcom Corp. and Broadcom Cayman Finance Ltd. (GTD by Broadcom Ltd.):		
3.000%, 1–15–22	500	487
3.875%, 1–15–27	200	189
Intel Corp.:		
2.450%, 7–29–20	380	377
2.875%, 5–11–24	200	194
QUALCOMM, Inc.:		
2.600%, 1–30–23	330	317
3.250%, 5–20–27	210	198
4.800%, 5–20–45	200	202
Texas Instruments, Inc.,		
4.150%, 5–15–48	250	250
		<u>2,214</u>
Systems Software – 5.9%		
Microsoft Corp.:		
1.850%, 2–6–20	262	259
2.875%, 2–6–24	350	342
3.125%, 11–3–25	185	181
2.400%, 8–8–26	280	258
3.300%, 2–6–27	250	245
4.100%, 2–6–37	250	258
3.700%, 8–8–46	600	575
4.000%, 2–12–55	150	148
Oracle Corp.:		
2.500%, 5–15–22	300	292
2.500%, 10–15–22	350	339
2.400%, 9–15–23	642	613
2.950%, 11–15–24	150	145
2.650%, 7–15–26	530	491
3.800%, 11–15–37	250	238
4.000%, 11–15–47	100	95
		<u>4,479</u>
Technology Hardware, Storage & Peripherals – 4.1%		
Apple, Inc.:		
2.850%, 5–6–21	222	221
3.000%, 2–9–24	360	353
2.850%, 5–11–24	300	291
3.250%, 2–23–26	150	147
3.350%, 2–9–27	348	340
3.200%, 5–11–27	200	193
3.850%, 5–4–43	150	144
3.450%, 2–9–45	350	314
4.650%, 2–23–46	370	399
3.750%, 11–13–47	300	281

SCHEDULE OF INVESTMENTS

IVY PROSHARES S&P 500 BOND INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Technology Hardware, Storage & Peripherals (Continued)		
Hewlett Packard Enterprise Co.:		
3.600%, 10-15-20 (B)	\$ 150	\$ 151
6.350%, 10-15-45 (B)	250	256
		<u>3,090</u>
Total Information Technology – 16.0%		12,147
Materials		
Paper Packaging – 0.2%		
International Paper Co.,		
3.000%, 2-15-27	200	184
		<u> </u>
Specialty Chemicals – 0.4%		
LYB International Finance II B.V.,		
3.500%, 3-2-27	100	93
Sherwin-Williams Co. (The),		
4.500%, 6-1-47	182	175
		<u>268</u>
Total Materials – 0.6%		452
Telecommunication Services		
Integrated Telecommunication Services – 7.4%		
AT&T, Inc.:		
3.200%, 3-1-22	300	295
4.450%, 4-1-24	510	519
4.250%, 3-1-27	255	252
4.500%, 5-15-35	290	271
4.300%, 12-15-42	150	130
4.350%, 6-15-45	300	258
5.450%, 3-1-47	250	250
4.500%, 3-9-48	382	333
4.550%, 3-9-49	300	262

CORPORATE DEBT SECURITIES

(Continued)	Principal	Value
Integrated Telecommunication Services (Continued)		
Verizon Communications, Inc.:		
5.150%, 9-15-23	\$ 272	\$ 291
3.500%, 11-1-24	450	444
3.376%, 2-15-25	150	146
2.625%, 8-15-26	150	136
4.125%, 3-16-27	510	510
5.250%, 3-16-37	626	667
4.862%, 8-21-46	447	447
5.500%, 3-16-47	395	430
		<u>5,641</u>
Total Telecommunication Services – 7.4%		5,641
Utilities		
Electric Utilities – 0.6%		
Duke Energy Corp.,		
3.750%, 9-1-46	150	131
Southern Co. (The),		
2.350%, 7-1-21	300	291
		<u>422</u>
Total Utilities – 1.3%		968
Multi-Utilities – 0.7%		
Pacific Gas and Electric Co.,		
6.050%, 3-1-34	360	405
Sempra Energy,		
3.400%, 2-1-28	150	141
		<u>546</u>
Total Utilities – 1.3%		968
TOTAL CORPORATE DEBT SECURITIES – 98.6%		\$75,011
(Cost: \$77,345)		

SHORT-TERM SECURITIES

	Principal	Value
Master Note – 0.7%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps),		
2.470%, 10-5-18 (C)	\$544	\$ 544
		<u> </u>
Money Market Funds – 0.2%		
Dreyfus Institutional Preferred Government Money Market Fund - Institutional Shares,		
2.140%, (D)(E)	135	135
		<u> </u>
TOTAL SHORT-TERM SECURITIES – 0.9%		\$ 679
(Cost: \$679)		
TOTAL INVESTMENT SECURITIES – 99.5%		\$75,690
(Cost: \$78,024)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.5%		372
		<u> </u>
NET ASSETS – 100.0%		\$76,062

Notes to Schedule of Investments

(A) All or a portion of securities with an aggregate value of \$297 are on loan.

(B) Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at September 30, 2018.

(C) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(D) Investment made with cash collateral received from securities on loan.

(E) Rate shown is the annualized 7-day yield at September 30, 2018.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$ —	\$ 75,011	\$ —
Short-Term Securities	135	544	—
Total	\$135	\$75,555	\$ —

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

LIBOR = London Interbank Offered Rate

See Accompanying Notes to Financial Statements.

PORTFOLIO HIGHLIGHTS

IVY PROSHARES S&P 500 DIVIDEND ARISTOCRATS INDEX FUND

ALL DATA IS AS OF SEPTEMBER 30, 2018 (UNAUDITED)

Asset Allocation

Stocks	99.8%
Consumer Staples	24.8%
Industrials	20.5%
Health Care	11.8%
Consumer Discretionary	11.5%
Materials	11.2%
Financials	8.9%
Energy	3.6%
Information Technology	2.0%
Telecommunication Services	1.9%
Utilities	1.8%
Real Estate	1.8%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents ⁺	0.2%

Top 10 Equity Holdings

Company	Sector	Industry
Clorox Co. (The)	Consumer Staples	Household Products
Lowe's Co., Inc.	Consumer Discretionary	Home Improvement Retail
Abbott Laboratories	Health Care	Health Care Supplies
McCormick & Co., Inc.	Consumer Staples	Food Distributors
Dover Corp.	Industrials	Machinery-Material Handl
Ecolab, Inc.	Materials	Specialty Chemicals
Walgreen Co.	Consumer Staples	Drug Retail
Emerson Electric Co.	Industrials	Electrical Components & Equipment
Target Corp.	Consumer Discretionary	General Merchandise Stores
Medtronic plc	Health Care	Health Care Equipment

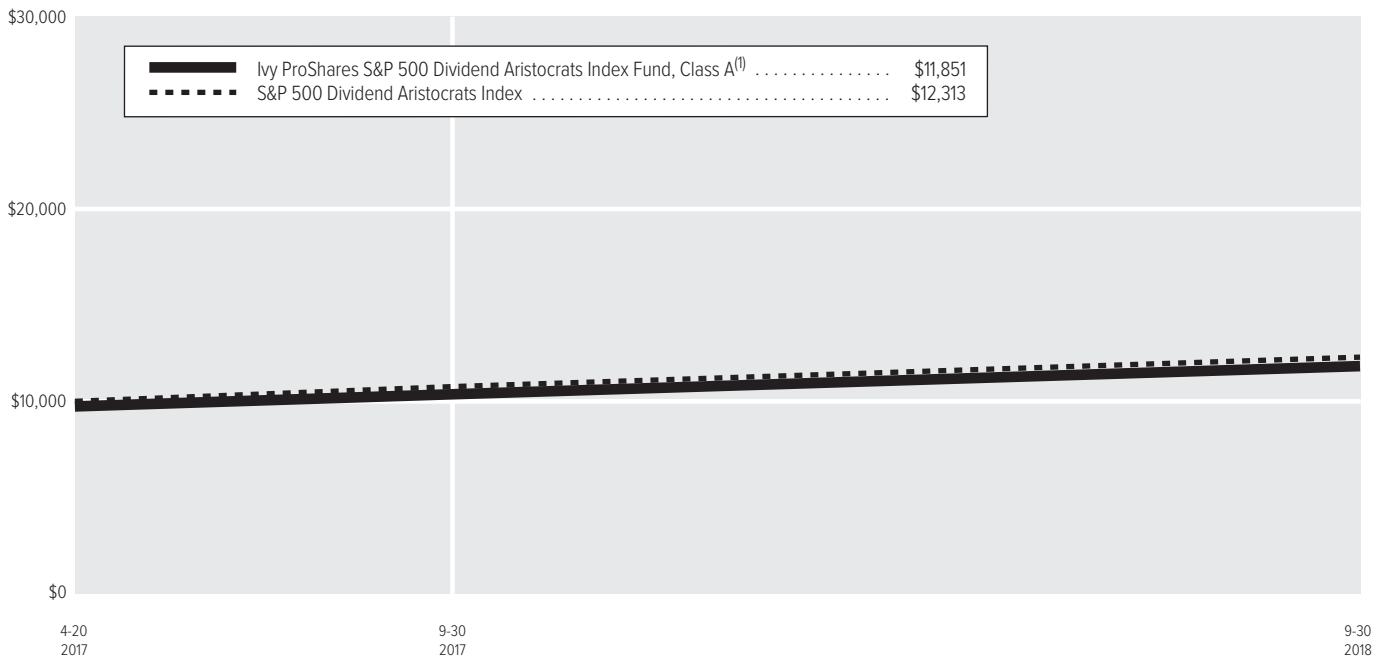
See your advisor or www.ivyinvestments.com for more information on the Fund's most recently published Top 10 Equity Holdings.

⁺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 PROSHARES S&P 500 DIVIDEND ARISTOCRATS INDEX 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 E	Class I	Class N	Class R
1-year period ended 9-30-18	11.45%	11.45%	14.56%	14.56%	13.61%
5-year period ended 9-30-18	—	—	—	—	—
10-year period ended 9-30-18	—	—	—	—	—
Since Inception of Class through 9-30-18 ⁽⁴⁾	12.46%	12.46%	14.74%	14.74%	13.86%

(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.ivyinvestments.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 I, Class N and Class R 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) 4-20-17 for Class A shares, 4-20-17 for Class E shares, 4-20-17 for Class I shares, 4-20-17 for Class N shares and 4-20-17 for Class R 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 PROSHARES S&P 500 DIVIDEND ARISTOCRATS INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Consumer Discretionary			Energy			Industrial Conglomerates – 1.9%		
Apparel, Accessories & Luxury Goods – 1.9%			Integrated Oil & Gas – 1.8%			3M Co.	34	\$ 7,202
V.F. Corp.	75	\$ 7,007	Chevron Corp.	55	\$ 6,772			
						Industrial Machinery – 5.5%		
Distributors – 1.8%			Oil & Gas Exploration & Production – 1.8%			Illinois Tool Works, Inc.	50	7,004
Genuine Parts Co.	70	6,966	Exxon Mobil Corp.	83	7,026	Pentair, Inc.	155	6,730
						Stanley Black & Decker, Inc.	49	7,168
								20,902
General Merchandise Stores – 2.0%			Total Energy – 3.6%		13,798	Machinery-Material Handl – 2.0%		
Target Corp.	86	7,624	Financials			Dover Corp.	87	7,667
			Asset Management & Custody Banks – 3.3%					
Home Furnishings – 1.8%			Franklin Resources, Inc.	210	6,398	Trading Companies & Distributors – 1.9%		
Leggett & Platt, Inc.	154	6,738	T. Rowe Price Group, Inc.	57	6,174	W.W. Grainger, Inc.	20	7,272
					12,572			
Home Improvement Retail – 2.1%			Financial Exchanges & Data – 1.7%			Total Industrials – 20.5%		77,690
Lowe's Co., Inc.	69	7,876	S&P Global, Inc.	32	6,289	Information Technology		
						Data Processing & Outsourced Services – 2.0%		
Restaurants – 1.9%			Life & Health Insurance – 1.9%			Automatic Data Processing, Inc.	50	7,537
McDonalds Corp.	43	7,265	Aflac, Inc.	157	7,392			
						Total Information Technology – 2.0%		7,537
Total Consumer Discretionary – 11.5%		43,476	Property & Casualty Insurance – 2.0%			Materials		
Consumer Staples			Cincinnati Financial Corp.	97	7,448	Industrial Gases – 3.7%		
Agricultural Products – 1.9%						Air Products and Chemicals, Inc.	44	7,379
Archer Daniels Midland Co.	145	7,290	Total Financials – 8.9%		33,701	Praxair, Inc.	42	6,750
			Health Care					14,129
Distillers & Vintners – 1.7%			Health Care Equipment – 3.9%			Specialty Chemicals – 5.8%		
Brown-Forman Corp., Class B	129	6,545	Becton Dickinson & Co.	28	7,205	Ecolab, Inc.	49	7,648
			Medtronic plc	77	7,589	PPG Industries, Inc.	65	7,059
Drug Retail – 2.0%					14,794	Sherwin-Williams Co. (The)	16	7,265
Walgreen Co.	105	7,633	Health Care Services – 2.0%					21,972
			Cardinal Health, Inc.	139	7,530	Steel – 1.7%		
Food Distributors – 3.9%						Nucor Corp.	101	6,417
McCormick & Co., Inc.	59	7,713	Health Care Supplies – 2.1%					
Sysco Corp.	98	7,154	Abbott Laboratories	107	7,814	Total Materials – 11.2%		42,518
		14,867				Real Estate		
			Pharmaceuticals – 3.8%			Retail REITs – 1.8%		
Household Products – 5.9%			AbbVie, Inc.	75	7,087	Federal Realty Investment Trust	55	7,000
Clorox Co. (The)	53	7,959	Johnson & Johnson	53	7,326			
Colgate-Palmolive Co.	105	7,036			14,413	Total Real Estate – 1.8%		7,000
Procter & Gamble Co. (The)	87	7,227	Total Health Care – 11.8%		44,551	Telecommunication Services		
		22,222	Industrials			Integrated Telecommunication Services – 1.9%		
Hypermarkets & Super Centers – 1.9%			Aerospace & Defense – 1.9%			AT&T, Inc.	217	7,271
Wal-Mart Stores, Inc.	78	7,323	General Dynamics Corp.	35	7,137			
						Total Telecommunication Services – 1.9%		7,271
Packaged Foods & Meats – 1.9%			Building Products – 1.6%			Utilities		
Hormel Foods Corp. (A)	184	7,243	A. O. Smith Corp.	115	6,141	Multi-Utilities – 1.8%		
						Consolidated Edison, Inc.	88	6,734
Personal Products – 2.0%			Diversified Support Services – 1.8%					
Kimberly-Clark Corp.	65	7,343	Cintas Corp.	33	6,555	Total Utilities – 1.8%		6,734
						TOTAL COMMON STOCKS – 99.8%		\$378,426
Soft Drinks – 3.6%			Electrical Components & Equipment – 3.9%			(Cost: \$343,526)		
Coca-Cola Co. (The)	152	7,000	Emerson Electric Co.	100	7,627			
PepsiCo, Inc.	60	6,684	Roper Industries, Inc.	24	7,187			
		13,684			14,814			
Total Consumer Staples – 24.8%		94,150						

SCHEDULE OF INVESTMENTS

IVY PROSHARES S&P 500 DIVIDEND ARISTOCRATS INDEX FUND *(in thousands)*

SEPTEMBER 30, 2018

SHORT-TERM SECURITIES	Principal	Value
Master Note – 0.0%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.470%, 10–5–18 (B)	\$ 69	\$ 69
Money Market Funds – 0.1%		
Dreyfus Institutional Preferred Government Money Market Fund - Institutional Shares, 2.140%, (C)(D)	479	479
TOTAL SHORT-TERM SECURITIES – 0.1%	\$	548
(Cost: \$548)		
TOTAL INVESTMENT SECURITIES – 99.9%	\$	378,974
(Cost: \$344,074)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.1%		309
NET ASSETS – 100.0%		\$379,283

Notes to Schedule of Investments

(A) All or a portion of securities with an aggregate value of \$469 are on loan.

(B) Variable rate security. Interest rate disclosed is that which is in effect at September 30, 2018. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(C) Investment made with cash collateral received from securities on loan.

(D) Rate shown is the annualized 7-day yield at September 30, 2018.

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of September 30, 2018. 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	\$378,426	\$ —	\$ —
Short-Term Securities	479	69	—
Total	\$378,905	\$69	\$ —

During the year ended September 30, 2018, there were no transfers between Level 1 and 2.

The following acronyms are used throughout this schedule:

LIBOR = London Interbank Offered Rate

REIT = Real Estate Investment Trusts

See Accompanying Notes to Financial Statements.

STATEMENTS OF ASSETS AND LIABILITIES

IVY FUNDS

AS OF SEPTEMBER 30, 2018

	Ivy ProShares Interest Rate Hedged High Yield Index Fund	Ivy ProShares MSCI ACWI Index Fund	Ivy ProShares Russell 2000 Dividend Growers Index Fund	Ivy ProShares S&P 500 Bond Index Fund	Ivy ProShares S&P 500 Dividend Aristocrats Index Fund
(In thousands, except per share amounts)					
ASSETS					
Investments in unaffiliated securities at value+^	\$ 44,402	\$ 103,679	\$ 138,032	\$ 75,690	\$ 378,974
Investments at Value	44,402	103,679	138,032	75,690	378,974
Cash	1	1	1	1	1
Cash denominated in foreign currencies at value+	—	109	—	—	—
Restricted cash	291	—	—	—	—
Investment securities sold receivable	—	1,097	—	2,341	120
Dividends and interest receivable	836	171	226	733	706
Capital shares sold receivable	187	113	185	128	413
Receivable from affiliates	66	278	82	84	174
Receivable from securities lending income – net	—	1	4	—*	—*
Prepaid and other assets	32	35	35	34	47
Total Assets	45,815	105,484	138,565	79,011	380,435
LIABILITIES					
Cash collateral on securities loaned at value	—	575	2,087	135	479
Investment securities purchased payable	—	1,859	—	2,696	—
Capital shares redeemed payable	42	46	134	79	575
Independent Trustees and Chief Compliance Officer fees payable	—*	1	1	1	2
Distribution and service fees payable	—*	—*	—*	—*	—*
Shareholder servicing payable	6	9	15	10	40
Investment management fee payable	2	4	4	1	11
Accounting services fee payable	2	4	6	4	11
Variation margin payable	16	—	—	—	—
Other liabilities	8	35	22	23	34
Total Liabilities	76	2,533	2,269	2,949	1,152
Total Net Assets	\$45,739	\$102,951	\$136,296	\$76,062	\$379,283
NET ASSETS					
Capital paid in (shares authorized – unlimited)	\$ 45,410	\$ 94,473	\$ 127,855	\$ 79,437	\$ 343,129
Undistributed net investment income	200	453	239	285	1,009
Accumulated net realized gain (loss)	272	(104)	267	(1,326)	245
Net unrealized appreciation (depreciation)	(143)	8,129	7,935	(2,334)	34,900
Total Net Assets	\$45,739	\$102,951	\$136,296	\$76,062	\$379,283
CAPITAL SHARES OUTSTANDING:					
Class A	307	1,216	132	302	171
Class E	104	113	86	121	121
Class I	3,940	4,293	8,823	7,281	23,531
Class N	100	2,893	3,300	100	7,808
Class R	100	199	80	99	80
NET ASSET VALUE PER SHARE:					
Class A	\$10.05	\$11.81	\$10.97	\$9.62	\$11.96
Class E	\$10.05	\$11.81	\$10.97	\$9.62	\$11.96
Class I	\$10.05	\$11.81	\$10.97	\$9.62	\$11.96
Class N	\$10.05	\$11.82	\$10.97	\$9.62	\$11.96
Class R	\$10.05	\$11.81	\$10.96	\$9.62	\$11.95
+COST					
Investments in unaffiliated securities at cost	\$ 44,827	\$ 95,548	\$ 130,097	\$ 78,024	\$ 344,074
Cash denominated in foreign currencies at cost	—	109	—	—	—
^Securities loaned at value	—	817	5,848	297	469

*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF OPERATIONS

IVY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2018

(In thousands)	Ivy ProShares Interest Rate Hedged High Yield Index Fund	Ivy ProShares MSCI ACWI Index Fund	Ivy ProShares Russell 2000 Dividend Growers Index Fund	Ivy ProShares S&P 500 Bond Index Fund	Ivy ProShares S&P 500 Dividend Aristocrats Index Fund
INVESTMENT INCOME					
Dividends from unaffiliated securities	\$ —	\$ 2,148	\$2,366	\$ —	\$ 7,956
Foreign dividend withholding tax	—	(129)	—	—	—
Interest and amortization from unaffiliated securities	1,748	6	7	2,595	27
Securities lending income – net	—	4	17	1	4
Total Investment Income	1,748	2,029	2,390	2,596	7,987
EXPENSES					
Investment management fee	147	383	383	152	1,056
Distribution and service fees:					
Class A	7	32	4	7	4
Class E	3	3	2	3	3
Class R	5	11	4	5	5
Shareholder servicing:					
Class A	2	9	—*	—*	1
Class E	—*	—*	—*	—*	1
Class I	39	68	123	97	343
Class N	—*	3	2	2	9
Class R	2	6	2	2	2
Registration fees	55	61	63	61	90
Custodian fees	5	33	37	8	36
Independent Trustees and Chief Compliance Officer fees	1	3	3	3	12
Accounting services fee	23	47	55	47	106
Professional fees	33	41	22	25	24
Third-party valuation service fees	—	127	—	—	—
MSCI Index fees	—	26	—	—	—
Other	30	64	66	38	136
Total Expenses	352	917	766	450	1,828
Less:					
Expenses in excess of limit	(144)	(315)	(132)	(128)	(309)
Total Net Expenses	208	602	634	322	1,519
Net Investment Income	1,540	1,427	1,756	2,274	6,468
REALIZED AND UNREALIZED GAIN (LOSS)					
Net realized gain (loss) on:					
Investments in unaffiliated securities	(190)	(56)	317	(1,323)	310
Futures contracts	658	—	—	—	—
Foreign currency exchange transactions	—	(29)	—	—	—
Net change in unrealized appreciation (depreciation) on:					
Investments in unaffiliated securities	(401)	5,647	6,720	(2,450)	32,384
Futures contracts	148	—	—	—	—
Foreign currency exchange transactions	—	(2)	—	—	—
Net Realized and Unrealized Gain (Loss)	215	5,560	7,037	(3,773)	32,694
Net Increase (Decrease) in Net Assets Resulting from Operations	\$1,755	\$6,987	\$8,793	\$(1,499)	\$39,162

*Not shown due to rounding.

STATEMENTS OF CHANGES IN NET ASSETS

IVY FUNDS

	Ivy ProShares Interest Rate Hedged High Yield Index Fund		Ivy ProShares MSCI ACWI Index Fund		Ivy ProShares Russell 2000 Dividend Growers Index Fund	
	Period from 4-20-17 (commencement of operations) to 9-30-17		Period from 4-20-17 (commencement of operations) to 9-30-17		Period from 4-20-17 (commencement of operations) to 9-30-17	
(In thousands)	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Year ended 9-30-17	Year ended 9-30-18	Year ended 9-30-17
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	\$ 1,540	\$ 328	\$ 1,427	\$ 268	\$ 1,756	\$ 167
Net realized gain (loss) on investments	468	(87)	(85)	(65)	317	(33)
Net change in unrealized appreciation (depreciation)	(253)	110	5,645	2,484	6,720	1,215
Net Increase in Net Assets Resulting from Operations	1,755	351	6,987	2,687	8,793	1,349
Distributions to Shareholders From:						
Net investment income:						
Class A	(144)	(43)	(130)	(26)	(18)	(2)
Class E	(48)	(15)	(15)	(3)	(13)	(1)
Class I	(1,142)	(161)	(541)	(89)	(1,166)	(68)
Class N	(50)	(15)	(373)	(4)	(412)	(2)
Class R	(43)	(13)	(12)	(2)	(7)	—
Net realized gains:						
Class A	(15)	—	(2)	—	—*	—
Class E	(5)	—	—*	—	—*	—
Class I	(79)	—	(5)	—	(12)	—
Class N	(5)	—	(4)	—	(5)	—
Class R	(5)	—	—*	—	—*	—
Total Distributions to Shareholders	(1,536)	(247)	(1,082)	(124)	(1,633)	(73)
Capital Share Transactions	24,892	20,524	42,068	52,415	90,540	37,320
Net Increase in Net Assets	25,111	20,628	47,973	54,978	97,700	38,596
Net Assets, Beginning of Period	20,628	—	54,978	—	38,596	—
Net Assets, End of Period	\$ 45,739	\$ 20,628	\$ 102,951	\$ 54,978	\$ 136,296	\$ 38,596
Undistributed net investment income	\$ 200	\$ 85	\$ 453	\$ 118	\$ 239	\$ 97

*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

IVY FUNDS

(In thousands)	Ivy ProShares S&P 500 Bond Index Fund		Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	
	Year ended 9-30-18	Period from 4-20-17 (commencement of operations) to 9-30-17	Year ended 9-30-18	Period from 4-20-17 (commencement of operations) to 9-30-17
INCREASE (DECREASE) IN NET ASSETS				
Operations:				
Net investment income	\$ 2,274	\$ 288	\$ 6,468	\$ 375
Net realized gain (loss) on investments	(1,323)	2	310	(36)
Net change in unrealized appreciation (depreciation)	(2,450)	116	32,384	2,516
Net Increase (Decrease) in Net Assets Resulting from Operations	(1,499)	406	39,162	2,855
Distributions to Shareholders From:				
Net investment income:				
Class A	(73)	(24)	(27)	(2)
Class E	(28)	(8)	(19)	(2)
Class I	(1,615)	(185)	(3,884)	(210)
Class N	(315)	(9)	(1,686)	(2)
Class R	(19)	(6)	(9)	—
Net realized gains:				
Class A	—*	—	—*	—
Class E	—*	—	—*	—
Class I	(5)	—	(18)	—
Class N	(1)	—	(11)	—
Class R	—*	—	—*	—
Total Distributions to Shareholders	(2,056)	(232)	(5,654)	(216)
Capital Share Transactions	23,151	56,292	253,000	90,136
Net Increase in Net Assets	19,596	56,466	286,508	92,775
Net Assets, Beginning of Period	56,466	—	92,775	—
Net Assets, End of Period	\$76,062	\$56,466	\$ 379,283	\$92,775
Undistributed net investment income	\$ 285	\$ 60	\$ 1,009	\$ 163

*Not shown due to rounding.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PROSHARES INTEREST RATE HEDGED HIGH YIELD INDEX 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 9-30-2018	\$10.07	\$0.50	\$ 0.01	\$ 0.51	\$(0.48)	\$(0.05)	\$(0.53)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.20	0.01	0.21	(0.14)	—	(0.14)
Class E Shares							
Year ended 9-30-2018	10.07	0.50	0.01	0.51	(0.48)	(0.05)	(0.53)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.20	0.01	0.21	(0.14)	—	(0.14)
Class I Shares							
Year ended 9-30-2018	10.07	0.53	0.00*	0.53	(0.50)	(0.05)	(0.55)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.22	0.00*	0.22	(0.15)	—	(0.15)
Class N Shares							
Year ended 9-30-2018	10.07	0.53	0.00*	0.53	(0.50)	(0.05)	(0.55)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.21	0.01	0.22	(0.15)	—	(0.15)
Class R Shares							
Year ended 9-30-2018	10.07	0.46	0.00*	0.46	(0.43)	(0.05)	(0.48)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.18	0.01	0.19	(0.12)	—	(0.12)

* 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 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 April 20, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio Turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$10.05	5.21%	\$ 3	0.90%	5.04%	1.30%	4.64%	33%
Year ended 9-30-2017 ⁽⁴⁾	10.07	2.15	3	0.90 ⁽⁵⁾	4.51 ⁽⁵⁾	1.00 ⁽⁵⁾	4.41 ⁽⁵⁾	27 ⁽⁶⁾
Class E Shares								
Year ended 9-30-2018	10.05	5.21	1	0.90	5.04	1.26	4.68	33
Year ended 9-30-2017 ⁽⁴⁾	10.07	2.15	1	0.90 ⁽⁵⁾	4.51 ⁽⁵⁾	0.98 ⁽⁵⁾	4.43 ⁽⁵⁾	27 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	10.05	5.48	40	0.65	5.31	1.17	4.79	33
Year ended 9-30-2017 ⁽⁴⁾	10.07	2.24	15	0.65 ⁽⁵⁾	4.86 ⁽⁵⁾	0.89 ⁽⁵⁾	4.62 ⁽⁵⁾	27 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	10.05	5.48	1	0.65	5.29	1.00	4.94	33
Year ended 9-30-2017 ⁽⁴⁾	10.07	2.24	1	0.65 ⁽⁵⁾	4.76 ⁽⁵⁾	0.74 ⁽⁵⁾	4.67 ⁽⁵⁾	27 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	10.05	4.70	1	1.37	4.57	1.71	4.23	33
Year ended 9-30-2017 ⁽⁴⁾	10.07	1.95	1	1.37 ⁽⁵⁾	4.04 ⁽⁵⁾	1.46 ⁽⁵⁾	3.95 ⁽⁵⁾	27 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PROSHARES MSCI ACWI INDEX 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 9-30-2018	\$10.92	\$ 0.17	\$0.84	\$ 1.01	\$ (0.12)	\$—*	\$ (0.12)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.86	0.95	(0.03)	—	(0.03)
Class E Shares							
Year ended 9-30-2018	10.92	0.19	0.84	1.03	(0.14)	—*	(0.14)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.87	0.96	(0.04)	—	(0.04)
Class I Shares							
Year ended 9-30-2018	10.92	0.20	0.84	1.04	(0.15)	—*	(0.15)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.87	0.96	(0.04)	—	(0.04)
Class N Shares							
Year ended 9-30-2018	10.92	0.20	0.85	1.05	(0.15)	—*	(0.15)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.10	0.86	0.96	(0.04)	—	(0.04)
Class R Shares							
Year ended 9-30-2018	10.91	0.11	0.85	0.96	(0.06)	—*	(0.06)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.06	0.86	0.92	(0.01)	—	(0.01)

* 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 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 April 20, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio Turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$ 11.81	9.27%	\$ 14	0.90%	1.48%	1.24%	1.14%	39%
Year ended 9-30-2017 ⁽⁴⁾	10.92	9.50	10	0.90 ⁽⁵⁾	1.79 ⁽⁵⁾	1.31 ⁽⁵⁾	1.38 ⁽⁵⁾	51 ⁽⁶⁾
Class E Shares								
Year ended 9-30-2018	11.81	9.53	1	0.75	1.61	1.18	1.18	39
Year ended 9-30-2017 ⁽⁴⁾	10.92	9.56	1	0.75 ⁽⁵⁾	1.95 ⁽⁵⁾	1.28 ⁽⁵⁾	1.42 ⁽⁵⁾	51 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	11.81	9.64	51	0.65	1.76	1.09	1.32	39
Year ended 9-30-2017 ⁽⁴⁾	10.92	9.60	26	0.65 ⁽⁵⁾	1.95 ⁽⁵⁾	1.18 ⁽⁵⁾	1.42 ⁽⁵⁾	51 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	11.82	9.64	35	0.65	1.73	0.93	1.45	39
Year ended 9-30-2017 ⁽⁴⁾	10.92	9.60	16	0.65 ⁽⁵⁾	2.16 ⁽⁵⁾	1.04 ⁽⁵⁾	1.77 ⁽⁵⁾	51 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	11.81	8.84	2	1.40	0.94	1.67	0.67	39
Year ended 9-30-2017 ⁽⁴⁾	10.91	9.20	2	1.39 ⁽⁵⁾	1.31 ⁽⁵⁾	1.77 ⁽⁵⁾	0.93 ⁽⁵⁾	51 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PROSHARES RUSSELL 2000 DIVIDEND GROWERS INDEX 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 9-30-2018	\$10.44	\$ 0.16	\$ 0.51	\$0.67	\$ (0.14)	\$—*	\$ (0.14)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.07	0.39	0.46	(0.02)	—	(0.02)
Class E Shares							
Year ended 9-30-2018	10.44	0.17	0.51	0.68	(0.15)	—*	(0.15)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.07	0.39	0.46	(0.02)	—	(0.02)
Class I Shares							
Year ended 9-30-2018	10.44	0.19	0.51	0.70	(0.17)	—*	(0.17)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.37	0.46	(0.02)	—	(0.02)
Class N Shares							
Year ended 9-30-2018	10.44	0.20	0.50	0.70	(0.17)	—*	(0.17)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.37	0.46	(0.02)	—	(0.02)
Class R Shares							
Year ended 9-30-2018	10.43	0.11	0.51	0.62	(0.09)	—*	(0.09)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.05	0.38	0.43	—	—	—

* 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 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 April 20, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio Turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$10.97	6.52%	\$ 1	0.90%	1.55%	0.91%	1.54%	36%
Year ended 9-30-2017 ⁽⁴⁾	10.44	4.55	1	0.90 ⁽⁵⁾	1.48 ⁽⁵⁾	1.05 ⁽⁵⁾	1.33 ⁽⁵⁾	12 ⁽⁶⁾
Class E Shares								
Year ended 9-30-2018	10.97	6.64	1	0.78	1.67	0.91	1.54	36
Year ended 9-30-2017 ⁽⁴⁾	10.44	4.60	1	0.80 ⁽⁵⁾	1.59 ⁽⁵⁾	1.03 ⁽⁵⁾	1.36 ⁽⁵⁾	12 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	10.97	6.79	97	0.65	1.82	0.83	1.64	36
Year ended 9-30-2017 ⁽⁴⁾	10.44	4.65	33	0.65 ⁽⁵⁾	1.98 ⁽⁵⁾	0.94 ⁽⁵⁾	1.69 ⁽⁵⁾	12 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	10.97	6.79	36	0.65	1.93	0.66	1.92	36
Year ended 9-30-2017 ⁽⁴⁾	10.44	4.65	3	0.65 ⁽⁵⁾	2.08 ⁽⁵⁾	0.79 ⁽⁵⁾	1.94 ⁽⁵⁾	12 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	10.96	6.05	1	1.40	1.05	1.40	1.05	36
Year ended 9-30-2017 ⁽⁴⁾	10.43	4.30	1	1.39 ⁽⁵⁾	0.98 ⁽⁵⁾	1.52 ⁽⁵⁾	0.85 ⁽⁵⁾	12 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PROSHARES S&P 500 BOND INDEX 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 9-30-2018	\$10.09	\$0.27	\$(0.50)	\$(0.23)	\$(0.24)	\$—*	\$(0.24)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.11	0.06	0.17	(0.08)	—	(0.08)
Class E Shares							
Year ended 9-30-2018	10.09	0.27	(0.49)	(0.22)	(0.25)	—*	(0.25)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.11	0.06	0.17	(0.08)	—	(0.08)
Class I Shares							
Year ended 9-30-2018	10.10	0.30	(0.51)	(0.21)	(0.27)	—*	(0.27)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.12	0.07	0.19	(0.09)	—	(0.09)
Class N Shares							
Year ended 9-30-2018	10.10	0.29	(0.50)	(0.21)	(0.27)	—*	(0.27)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.11	0.08	0.19	(0.09)	—	(0.09)
Class R Shares							
Year ended 9-30-2018	10.09	0.22	(0.50)	(0.28)	(0.19)	—*	(0.19)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.08	0.07	0.15	(0.06)	—	(0.06)

* 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 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 April 20, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio Turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$ 9.62	-2.26%	\$ 3	0.65%	2.73%	0.70%	2.68%	79%
Year ended 9-30-2017 ⁽⁴⁾	10.09	1.69	3	0.65 ⁽⁵⁾	2.34 ⁽⁵⁾	—	—	45 ⁽⁶⁾
Class E Shares								
Year ended 9-30-2018	9.62	-2.22	1	0.60	2.79	0.69	2.70	79
Year ended 9-30-2017 ⁽⁴⁾	10.09	1.71	1	0.60 ⁽⁵⁾	2.39 ⁽⁵⁾	0.64 ⁽⁵⁾	2.35 ⁽⁵⁾	45 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	9.62	-2.02	70	0.40	3.02	0.60	2.82	79
Year ended 9-30-2017 ⁽⁴⁾	10.10	1.78	34	0.40 ⁽⁵⁾	2.65 ⁽⁵⁾	0.54 ⁽⁵⁾	2.51 ⁽⁵⁾	45 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	9.62	-2.11	1	0.40	2.95	0.45	2.90	79
Year ended 9-30-2017 ⁽⁴⁾	10.10	1.88	17	0.34 ⁽⁵⁾	2.62 ⁽⁵⁾	—	—	45 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	9.62	-2.76	1	1.15	2.23	1.19	2.19	79
Year ended 9-30-2017 ⁽⁴⁾	10.09	1.50	1	1.13 ⁽⁵⁾	1.85 ⁽⁵⁾	—	—	45 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

IVY PROSHARES S&P 500 DIVIDEND ARISTOCRATS INDEX 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 9-30-2018	\$10.62	\$ 0.21	\$ 1.30	\$ 1.51	\$ (0.17)	\$—*	\$ (0.17)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.08	0.56	0.64	(0.02)	—	(0.02)
Class E Shares							
Year ended 9-30-2018	10.62	0.21	1.30	1.51	(0.17)	—*	(0.17)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.08	0.56	0.64	(0.02)	—	(0.02)
Class I Shares							
Year ended 9-30-2018	10.62	0.24	1.30	1.54	(0.20)	—*	(0.20)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.56	0.65	(0.03)	—	(0.03)
Class N Shares							
Year ended 9-30-2018	10.62	0.25	1.29	1.54	(0.20)	—*	(0.20)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.09	0.56	0.65	(0.03)	—	(0.03)
Class R Shares							
Year ended 9-30-2018	10.62	0.15	1.29	1.44	(0.11)	—*	(0.11)
Year ended 9-30-2017 ⁽⁴⁾	10.00	0.05	0.57	0.62	—	—	—

* 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 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 April 20, 2017 (commencement of operations of the class) through September 30, 2017.

(5) Annualized.

(6) Portfolio Turnover is calculated at the fund level. Percentage indicated was calculated for the period ended September 30, 2017.

	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 9-30-2018	\$ 11.96	14.29%	\$ 2	0.75%	1.87%	0.81%	1.81%	27%
Year ended 9-30-2017 ⁽⁴⁾	10.62	6.39	1	0.75 ⁽⁵⁾	1.63 ⁽⁵⁾	0.86 ⁽⁵⁾	1.52 ⁽⁵⁾	4 ⁽⁶⁾
Class E Shares								
Year ended 9-30-2018	11.96	14.29	1	0.75	1.87	0.76	1.86	27
Year ended 9-30-2017 ⁽⁴⁾	10.62	6.39	1	0.75 ⁽⁵⁾	1.64 ⁽⁵⁾	0.81 ⁽⁵⁾	1.58 ⁽⁵⁾	4 ⁽⁶⁾
Class I Shares								
Year ended 9-30-2018	11.96	14.56	282	0.50	2.14	0.65	1.99	27
Year ended 9-30-2017 ⁽⁴⁾	10.62	6.49	87	0.50 ⁽⁵⁾	1.97 ⁽⁵⁾	0.72 ⁽⁵⁾	1.75 ⁽⁵⁾	4 ⁽⁶⁾
Class N Shares								
Year ended 9-30-2018	11.96	14.56	93	0.49	2.17	—	—	27
Year ended 9-30-2017 ⁽⁴⁾	10.62	6.49	3	0.50 ⁽⁵⁾	1.89 ⁽⁵⁾	0.57 ⁽⁵⁾	1.82 ⁽⁵⁾	4 ⁽⁶⁾
Class R Shares								
Year ended 9-30-2018	11.95	13.61	1	1.26	1.35	—	—	27
Year ended 9-30-2017 ⁽⁴⁾	10.62	6.20	1	1.29 ⁽⁵⁾	1.09 ⁽⁵⁾	1.35 ⁽⁵⁾	1.03 ⁽⁵⁾	4 ⁽⁶⁾

See Accompanying Notes to Financial Statements.

SEPTEMBER 30, 2018

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 ProShares Interest Rate Hedged High Yield Index Fund, Ivy ProShares MSCI ACWI Index Fund, Ivy ProShares Russell 2000 Dividend Growers Index Fund, Ivy ProShares S&P 500 Bond Index Fund and Ivy ProShares S&P 500 Dividend Aristocrats Index Fund (each, a “Fund”) are five 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 E, Class I, Class N and Class R 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 I, Class N and Class R 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, E and R have a distribution and service plan. Class I shares and Class N shares are not included in the plan.

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 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 approved 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 to 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. The Funds file income tax returns in U.S. federal and applicable state jurisdictions. The Funds’ tax returns are subject to examination by the relevant taxing authority until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax returns. Management of the Trust periodically reviews all tax positions to assess whether 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 the date of these financial statements, management believes that no liability for unrecognized tax positions is required.

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 exceed net investment income and accumulated realized capital gains, a portion of the total distribution may be treated as a return of capital for tax purposes.

Segregation and Collateralization. In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (“SEC”), the Dodd Frank Wall Street Reform and Consumer Protection Act, or the interpretive rules and regulations of the U.S. Commodities Futures Trading Commission 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 or non-investment-grade bonds, that 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.

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.

Indemnification. 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 March 2017, the Financial Accounting Standards Board (“FASB”) issued an Accounting Standards Update (“ASU”), ASU 2017-08 which provides guidance related to the amortization period for certain purchased callable debt securities held at a premium. The ASU is effective for annual periods beginning after December 15, 2018, and interim periods within those annual periods. Management is currently evaluating the implication of this amendment and its impact to the Funds’ financial statements and related disclosures.

In August 2018, the FASB issued ASU 2018-13 which changes the fair value measurement disclosure requirements of ASC 820. The ASU is effective for annual periods beginning after December 15, 2019, and interim periods within those annual periods. Management is currently evaluating the implication of this amendment and its impact to the Funds’ financial statements and related disclosures.

In October 2018, the Securities Exchange Commission (“Commission”) adopted amendments to certain disclosure requirements that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other Commission disclosure requirements, U.S. GAAP, or changes in the information environment. We are also referring certain Commission disclosure requirements that overlap with, but require information incremental to, U.S. GAAP to the FASB for potential incorporation into U.S. GAAP. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The amendments are effective November 2018. Management is currently evaluating the implication of these amendments and their impact 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 financial instruments 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 the last reported sales price, 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 approved 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 based on quotes that are obtained from an independent pricing service approved by the Board as described in the preceding paragraph above.

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 financial instruments 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 financial instruments. 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 financial instruments and for determining whether the value of the applicable securities or financial instruments 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 financial instruments 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 financial instrument cannot be valued pursuant to one of the valuation methods established by the Board, the value of the security or financial instrument 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 its 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 are 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 its 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:

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, which values are provided by an independent pricing service. Swaps derive their value from underlying asset prices, indices, reference rates and other inputs or a combination of these factors. 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. Exchange-traded futures contracts 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 for a comparable listed option provided by an independent pricing service unless such a price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer.

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, or equity prices.

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 ask 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.

Restricted Securities. Restricted securities that are deemed to be 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 to the extent that significant inputs to valuation are unobservable, because they trade infrequently, if at all 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 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. 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 (depreciation) for all Level 3 investments still held as of September 30, 2018, if applicable, is included on the Statement of Operations in net change in unrealized appreciation (depreciation) on investments in unaffiliated securities.

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.

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 amounts, known as variation margin, are paid or received by the Fund each day, dependent on the daily fluctuations in the value of the underlying debt security or index. Options in futures contracts may also be purchased or sold by a Fund.

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.

Ivy ProShares Interest Rate Hedged High Yield Index Fund invests in long and/or short positions in futures contracts to economically hedge against changes in interest rates (interest rate risk).

Collateral and rights of offset. A Fund mitigates 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 all OTC derivative transactions between the Fund and each of its counterparties. Although it is not possible to eliminate credit risk entirely, the CSA allows the Fund and its counterparty to reduce their exposure to the risk of payment default by the other party by holding an amount in collateral equivalent to the realized and unrealized amount of exposure to the counterparty, which is generally held by the Fund's custodian. An amount of collateral is moved to/from applicable counterparties only if the amount of collateral required to be posted surpasses both the threshold and the minimum transfer amount pre-agreed in the CSA between the Fund and the counterparty. See Note 2 "Segregation and Collateralization" for additional information with respect to collateral practices.

Additional Disclosure Related to Derivative Instruments

Fair values of derivative instruments as of September 30, 2018:

Fund	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
Ivy ProShares Interest Rate Hedged High Yield Index Fund	Interest rate	Unrealized appreciation on futures contracts*	\$282		\$—

* 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 September 30, 2018.

Amount of realized gain (loss) on derivatives recognized on the Statement of Operations for the year ended September 30, 2018:

Fund	Type of Risk Exposure	Net realized gain (loss) on:					Forward foreign currency contracts	Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options			
Ivy ProShares Interest Rate Hedged High Yield Index Fund	Interest rate	\$—	\$—	\$658	\$—	\$—		\$658

* 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 September 30, 2018:

Fund	Type of Risk Exposure	Net change in unrealized appreciation (depreciation) on:					Forward foreign currency contracts	Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options			
Ivy ProShares Interest Rate Hedged High Yield Index Fund	Interest rate	\$—	\$—	\$148	\$—	\$—		\$148

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

During the year ended September 30, 2018, the average derivative volume was as follows:

Fund	Forward foreign currency contracts ⁽¹⁾	Long futures contracts ⁽²⁾	Short futures contracts ⁽²⁾	Swap agreements ⁽³⁾	Purchased options ⁽²⁾	Written options ⁽²⁾
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$—	\$—	\$28,619	\$—	\$—	\$—

(1) Average absolute value of unrealized appreciation/depreciation during the period.

(2) Average value outstanding during the period.

(3) Average notional amount outstanding during the period.

5. 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 \$1,000M	\$1,000 to \$2,000M	\$2,000 to \$5,000M	Over \$5,000M
Ivy ProShares Interest Rate Hedged High Yield Index Fund	0.50%	0.48%	0.46%	0.45%
Ivy ProShares MSCI ACWI Index Fund	0.45	0.43	0.41	0.40
Ivy ProShares Russell 2000 Dividend Growers Index Fund	0.40	0.38	0.36	0.35
Ivy ProShares S&P 500 Bond Index Fund	0.20	0.18	0.16	0.15
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	0.35	0.33	0.31	0.30

IICO has entered into a Subadvisory Agreement with the following entity on behalf of the Funds:

Under an agreement between IICO and ProShare Advisors LLC (“ProShare Advisors”), ProShare Advisors serves as subadviser to the Funds. The 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.

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 Trustees 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 Chief Compliance Officer of the Funds are shown on the Statement of Operations.

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 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 (InvestEd Portfolios and Ivy Funds) reaches certain levels. 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. For Class I 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 N 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. The Fund will reimburse WISC for such costs if the annual rate of the third-party per account charges for a Fund are less than or equal to \$12.00 per account or an annual fee of 0.14 of 1% that is based on average daily net assets.

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 (up to \$18.00 per account), or a fixed rate fee (up to an annual fee of 0.20 of 1% that is based on average daily net assets), 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 Distributors, Inc. (“IDI”) 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 IDI 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 R Shares. Under the Distribution and Service Plan, each Fund may pay IDI 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 IDI 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.

Sales Charges. As principal underwriter for the Trust’s shares, IDI 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 certain Class A and Class E shares and is paid to IDI. During the year ended September 30, 2018, IDI received the following amounts in sales commissions and CDSCs:

	Gross Sales Commissions	CDSC		Commissions Paid ⁽¹⁾
		Class A	Class E	
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ —	\$ —*	\$ —	\$ —
Ivy ProShares MSCI ACWI Index Fund	30	1	—	26
Ivy ProShares Russell 2000 Dividend Growers Index Fund	—*	—	—	—*
Ivy ProShares S&P 500 Bond Index Fund	—*	—	—	—*
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	1	—	—	1

* Not shown due to rounding.

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

Expense Reimbursements and/or Waivers. IICO, the Funds’ investment manager, IDI, the Funds’ distributor, and/or Waddell & Reed Services Company, doing business as WISC, the Funds’ transfer agent, have contractually agreed to reimburse sufficient management fees, 12b-1 fees and/or shareholder servicing fees to cap the total annual ordinary fund operating expenses (which would exclude interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, if any). Fund and class expense limitations and related waivers/reimbursements for the year ended September 30, 2018 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 ProShares Interest Rate Hedged High Yield Index Fund	All Classes	Contractual	4-20-2017	1-31-2019	N/A	\$ 101 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	4-20-2017	1-31-2019	0.90%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	4-20-2017	1-31-2019	0.90%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	4-20-2017	1-31-2019	0.65%	\$ 41	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2019	0.65%	\$ —*	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2020	Not to exceed Class I	\$ —	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 ProShares MSCI ACWI Index Fund	All Classes	Contractual	4-20-2017	1-31-2019	N/A	\$230 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	4-20-2017	1-31-2019	0.90%	\$ 9	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	4-20-2017	1-31-2019	0.75%	\$ 2	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	4-20-2017	1-31-2019	0.65%	\$ 71	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2019	0.65%	\$ 3	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2020	Not to exceed Class I	\$ —	N/A
Ivy ProShares Russell 2000 Dividend Growers Index Fund	All Classes	Contractual	4-20-2017	1-31-2019	N/A	\$ 1 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	4-20-2017	1-31-2019	0.90%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	4-20-2017	7-31-2019	0.73% ⁽²⁾	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	4-20-2017	1-31-2019	0.65%	\$ 128	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2019	0.65%	\$ 2	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2020	Not to exceed Class I	\$ —	N/A
Ivy ProShares S&P 500 Bond Index Fund	All Classes	Contractual	4-20-2017	1-31-2019	N/A	\$ 25 ⁽¹⁾	Investment Management Fee
	Class A	Contractual	4-20-2017	1-31-2019	0.65%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	4-20-2017	1-31-2019	0.60%	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	4-20-2017	1-31-2019	0.40%	\$ 100	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2019	0.40%	\$ 2	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2020	Not to exceed Class I	\$ —	N/A
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	Class A	Contractual	4-20-2017	1-31-2019	0.75%	\$ 1	12b-1 Fees and/or Shareholder Servicing
	Class E	Contractual	4-20-2017	1-31-2019	0.75%	\$ —*	12b-1 Fees and/or Shareholder Servicing
	Class I	Contractual	4-20-2017	1-31-2019	0.50%	\$308	Shareholder Servicing
	Class N	Contractual	4-20-2017	1-31-2019	0.50%	\$ —	N/A
	Class N	Contractual	4-20-2017	1-31-2020	Not to exceed Class I	\$ —	N/A

* Not shown due to rounding.

(1) Due to Class A, Class E, Class I and/or Class N contractual expense limits, investment management fees were waived for all share classes.

(2) Reflects the lower expense limit which went into effect July 31, 2018. Prior to July 31, 2018, the expense limit in effect was 0.80%.

Any amounts due to the Funds as a reimbursement but not paid as of September 30, 2018 are shown as a receivable from affiliates on the Statement of Assets and Liabilities.

6. INTERFUND LENDING PROGRAM

Pursuant to an exemptive order issued by the SEC (“Order”), the Ivy Funds, Ivy Variable Insurance Portfolios and InvestEd Portfolios (collectively, the “Funds” only for purposes of this footnote 6) 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 September 30, 2018.

7. 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 September 30, 2018, were as follows:

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$—	\$ 34,043	\$—	\$ 9,219
Ivy ProShares MSCI ACWI Index Fund	—	75,930	—	33,220
Ivy ProShares Russell 2000 Dividend Growers Index Fund	—	127,180	—	34,158
Ivy ProShares S&P 500 Bond Index Fund	—	81,610	—	58,367
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	—	337,382	—	80,505

8. LOANS OF PORTFOLIO SECURITIES (\$ amounts in thousands)

The Funds may lend their portfolio securities only to borrowers that are approved by the Fund's securities lending agent, The Bank of New York Mellon ("BNYM"). The borrower pledges and maintains with the Fund collateral consisting of cash or securities issued or guaranteed by the U.S. government. The initial collateral received by the Fund is required to have a value of at least 102% of the market value of the loaned securities for securities traded on U.S. exchanges and a value of at least 105% of the market value for all other securities. The collateral is maintained thereafter, at a market value equal to no less than 100% of the current value of the securities on loan. The market value of the loaned securities is determined at the close of each business day and any additional required collateral is delivered to the Fund and any excess collateral is returned by the Fund on the next business day. During the term of the loan, the Fund is entitled to all distributions made on or in respect of the loaned securities but does not receive interest income on securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

Cash received as collateral for securities on loan may be reinvested in the Dreyfus Institutional Preferred Government Money Market Fund — Institutional Shares or certain other registered money market funds and are disclosed in the Fund's Schedule of Investments and are reflected in the Statement of Assets and Liabilities as cash collateral on securities loaned at value. Non-cash collateral, in the form of securities issued or guaranteed by the U.S. government or its agencies or instrumentalities, is not disclosed in the Fund's Statement of Assets and Liabilities as it is held by the lending agent on behalf of the Fund and the Fund does not have the ability to re-hypothecate these securities. The securities on loan for each Fund are also disclosed in its Schedule of Investments. The total value of any securities on loan as of September 30, 2018 and the total value of the related cash collateral are disclosed in the Statement of Assets and Liabilities. Income earned by the Funds from securities lending activity is disclosed in the Statements of Operations.

The following is a summary of each Fund's securities lending positions and related cash and non-cash collateral received as of September 30, 2018:

Fund	Market Value of Securities on Loan	Cash Collateral Received	Non-Cash Collateral Received	Total Collateral Received
Ivy ProShares MSCI ACWI Index Fund	\$ 817	\$ 575	\$ 275	\$ 850
Ivy ProShares Russell 2000 Dividend Growers Index Fund	5,848	2,087	3,903	5,990
Ivy ProShares S&P 500 Bond Index Fund	297	135	169	304
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	469	479	—	479

The cash collateral received amounts presented in the table above are transactions accounted for as secured borrowings and have an overnight and continuous maturity. The proceeds from the cash collateral received is invested in registered money market funds.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Funds benefit from a borrower indemnity provided by BNYM. BNYM's indemnity allows for full replacement of securities lent wherein BNYM will purchase the unreturned loaned securities on the open market by applying the proceeds of the collateral or to the extent such proceeds are insufficient or the collateral is unavailable, BNYM will purchase the unreturned loan securities at BNYM's expense. However, the Fund could suffer a loss if the value of the investments purchased with cash collateral falls below the value of the cash collateral received.

9. 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 ProShares Interest Rate Hedged High Yield Index Fund				Ivy ProShares MSCI ACWI Index Fund	
	Year ended 9-30-18		Period from 4-20-17 (commencement of operations) to 9-30-17		Year ended 9-30-18	
	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:						
Class A	7	\$ 68	300	\$ 3,000	420	\$ 4,813
Class E	3	32	101	1,009	12	138
Class I	2,941	29,251	1,492	14,971	2,516	28,928
Class N	—	—	100	1,000	1,990	22,724
Class R	—	—	100	1,000	199	2,260
Shares issued in reinvestment of distributions to shareholders:						
Class A	—*	1	—	—	3	41
Class E	—*	1	—	—	—	1
Class I	84	831	9	88	19	222
Class N	—	—	—	—	32	366
Class R	—	—	—	—	—	—
Shares redeemed:						
Class A	—*	(1)	—	—	(78)	(891)
Class E	(1)	(5)	—	—	(1)	(10)
Class I	(531)	(5,286)	(54)	(544)	(620)	(7,180)
Class N	—	—	—	—	(612)	(7,076)
Class R	—	—	—	—	(201)	(2,268)
Net increase	2,503	\$24,892	2,048	\$20,524	3,679	\$42,068

	Ivy ProShares MSCI ACWI Index Fund		Ivy ProShares Russell 2000 Dividend Growers Index Fund			
	Period from 4-20-17 (commencement of operations) to 9-30-17		Year ended 9-30-18		Period from 4-20-17 (commencement of operations) to 9-30-17	
	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:						
Class A	885	\$ 8,924	12	\$ 133	123	\$ 1,227
Class E	101	1,017	9	89	81	808
Class I	2,423	25,017	7,568	78,680	3,238	32,707
Class N	1,495	16,203	3,536	37,129	283	2,860
Class R	200	2,000	—	—	80	800
Shares issued in reinvestment of distributions to shareholders:						
Class A	—*	3	—*	1	—	—
Class E	—	—	—*	1	—	—
Class I	3	30	70	746	4	38
Class N	—	—	39	407	—	—
Class R	—	—	—	—	—	—
Shares redeemed:						
Class A	(14)	(152)	(1)	(12)	(2)	(16)
Class E	—	—	(3)	(32)	—	—
Class I	(47)	(506)	(1,949)	(20,718)	(108)	(1,088)
Class N	(11)	(121)	(557)	(5,884)	(2)	(16)
Class R	—	—	—	—	—	—
Net increase	5,035	\$ 52,415	8,724	\$90,540	3,697	\$37,320

* Not shown due to rounding.

	Ivy ProShares S&P 500 Bond Index Fund				Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	
	Year ended 9-30-18		Period from 4-20-17 (commencement of operations) to 9-30-17		Year ended 9-30-18	
	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:						
Class A	5	\$ 49	303	\$ 3,035	81	\$ 909
Class E	14	133	108	1,083	42	465
Class I	5,341	52,685	3,514	35,371	19,803	222,882
Class N	257	2,508	1,664	16,776	10,607	115,896
Class R	—	—	100	1,000	—	—
Shares issued in reinvestment of distributions to shareholders:						
Class A	—	—	—	—	1	6
Class E	—*	3	—	—	—*	5
Class I	114	1,108	12	118	243	2,799
Class N	29	289	—	—	147	1,685
Class R	—	—	—	—	—	—
Shares redeemed:						
Class A	(3)	(34)	(3)	(34)	(36)	(398)
Class E	(2)	(16)	—	—	(5)	(54)
Class I	(1,607)	(15,634)	(93)	(936)	(4,686)	(53,869)
Class N	(1,838)	(17,940)	(12)	(121)	(3,220)	(37,326)
Class R	—	—	—	—	—	—
Net increase	2,310	\$ 23,151	5,593	\$56,292	22,977	\$253,000

	Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	
	Period from 4-20-17 (commencement of operations) to 9-30-17	
	Shares	Value
Shares issued from sale of shares:		
Class A	128	\$ 1,278
Class E	83	832
Class I	8,551	88,333
Class N	276	2,861
Class R	80	800
Shares issued in reinvestment of distributions to shareholders:		
Class A	—	—
Class E	—	—
Class I	13	132
Class N	—	—
Class R	—	—
Shares redeemed:		
Class A	(3)	(28)
Class E	—	—
Class I	(392)	(4,056)
Class N	(2)	(16)
Class R	—	—
Net increase	8,734	\$90,136

* Not shown due to rounding.

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

For Federal income tax purposes, cost of investments owned at September 30, 2018 and the related unrealized appreciation (depreciation) were as follows:

Fund	Cost of Investments	Gross Appreciation	Gross Depreciation	Net Unrealized Appreciation (Depreciation)
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ 44,841	\$ 335	\$ 774	\$ (439)
Ivy ProShares MSCI ACWI Index Fund	95,623	11,895	3,839	8,056
Ivy ProShares Russell 2000 Dividend Growers Index Fund	130,659	10,497	3,124	7,373
Ivy ProShares S&P 500 Bond Index Fund	78,026	42	2,378	(2,336)
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	346,518	39,183	6,727	32,456

For Federal income tax purposes, the Funds' distributed and undistributed earnings and profit for the year ended September 30, 2018 and the post-October and late-year ordinary activity were as follows:

Fund	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Tax Return of Capital	Post-October Capital Losses Deferred	Late-Year Ordinary Losses Deferred
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ 377	\$392	\$—	\$—	\$—
Ivy ProShares MSCI ACWI Index Fund	500	—	—	75	—
Ivy ProShares Russell 2000 Dividend Growers Index Fund	1,069	—	—	—	—
Ivy ProShares S&P 500 Bond Index Fund	286	—	—	—	—
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	3,700	—	—	—	—

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

The tax character of dividends and distributions paid during the two fiscal years ended September 30, 2018 and 2017 were as follows:

Fund	September 30, 2018		September 30, 2017	
	Distributed Ordinary Income ⁽¹⁾	Distributed Long-Term Capital Gains	Distributed Ordinary Income ⁽¹⁾	Distributed Long-Term Capital Gains
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ 1,481	\$55	\$247	\$—
Ivy ProShares MSCI ACWI Index Fund	1,082	—	124	—
Ivy ProShares Russell 2000 Dividend Growers Index Fund	1,629	4	73	—
Ivy ProShares S&P 500 Bond Index Fund	2,056	—	232	—
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	5,654	—	216	—

(1) Includes short-term capital gains distributed, if any.

Dividends from net investment income and short-term capital gains are treated as ordinary income dividends for federal income tax purposes.

Accumulated capital losses represent net capital loss carryovers as of September 30, 2018 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. As of September 30, 2018, the capital loss carryovers were as follows:

Fund	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ —	\$ —
Ivy ProShares MSCI ACWI Index Fund	—	—
Ivy ProShares Russell 2000 Dividend Growers Index Fund	—	—
Ivy ProShares S&P 500 Bond Index Fund	1,187	138
Ivy ProShares S&P 500 Dividend Aristocrats Index 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 start-up costs. At September 30, 2018, the following reclassifications were made:

Fund	Undistributed Net Investment Income	Accumulated Net Realized Gain	Paid-In Capital
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ 2	\$ —	\$(2)
Ivy ProShares MSCI ACWI Index Fund	(20)	22	(2)
Ivy ProShares Russell 2000 Dividend Growers Index Fund	2	—	(2)
Ivy ProShares S&P 500 Bond Index Fund	1	1	(2)
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	3	—	(3)

To the Shareholders and Board of Trustees of Ivy Funds:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statements of assets and liabilities of Ivy ProShares Interest Rate Hedged High Yield Index Fund, Ivy ProShares MSCI ACWI Index Fund, Ivy ProShares Russell 2000 Dividend Growers Index Fund, Ivy ProShares S&P 500 Bond Index Fund, and Ivy ProShares S&P 500 Dividend Aristocrats Index Fund (the "Funds"), five of the series constituting the Ivy Funds, including the schedules of investments, as of September 30, 2018, the related statements of operations for the year then ended, the statements of changes in net assets and financial highlights for the year ended September 30, 2018 and for the period from April 20, 2017 (commencement of operations) through September 30, 2017, and the related notes.

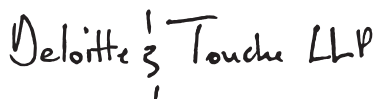
In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Funds as of September 30, 2018, and the results of their operations for the year then ended, and the changes in their net assets and the financial highlights for the year ended September 30, 2018 and for the period from April 20, 2017 (commencement of operations) through September 30, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. 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, whether due to error or fraud. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting 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.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of September 30, 2018, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.



Kansas City, Missouri
November 20, 2018

We have served as the auditor of one or more Waddell & Reed investment companies since 1997.

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 September 30, 2018:

	Dividends Received Deduction for Corporations	Qualified Dividend Income for Individuals
Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$ —	\$ —
Ivy ProShares MSCI ACWI Index Fund	567,563	1,082,228
Ivy ProShares Russell 2000 Dividend Growers Index Fund	1,320,232	1,318,361
Ivy ProShares S&P 500 Bond Index Fund	—	—
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	4,600,971	4,737,068

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

Ivy ProShares Interest Rate Hedged High Yield Index Fund	\$54,768
Ivy ProShares MSCI ACWI Index Fund	—
Ivy ProShares Russell 2000 Dividend Growers Index Fund	4,092
Ivy ProShares S&P 500 Bond Index Fund	—
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund	—

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

The tax status of dividends paid and the pass-through of foreign taxes paid will be reported to you on Form 1099-DIV after the close of the applicable calendar year.

(UNAUDITED)

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 Independent Trustees. The Board elects the officers who are responsible for administering the Funds’ day-to-day operations. The Trust is part of the Fund Complex, which is comprised of the 50 portfolios within the Trust, 29 portfolios within the Ivy Variable Insurance Portfolios (Ivy VIP), Ivy High Income Opportunities Fund (a closed-end fund) (IVH), 3 funds within the Ivy NextShares and 6 portfolios within the InvestEd Portfolios. Each member of the Board also is a member of the Board of Trustees of each of the other trusts within the Fund Complex.

Joseph Harroz, Jr. serves as Independent Chairman of the Trust’s Board and of the Board of Trustees of the other funds in the Fund Complex. A Trustee serves until his or her successor is elected and qualified or until his or her earlier death, resignation or removal.

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 Investments website, www.ivyinvestments.com.

Independent Trustees

The following table provides information regarding each Independent 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	2002	President, Boettcher Enterprises, Inc. (agriculture products and services) (1979 to present); Chairman of the Board, Boettcher Supply, Inc. (electrical and plumbing supplies distributor) (1979 to present)	89	Director, Guaranty State Bank & Trust Co. (financial services) (1981 to present); Director, Guaranty, Inc. (financial services) (1981 to present); Member, Kansas Board of Regents (2007-2011); Trustee and Governance Committee Member, Kansas State University Foundation (Education) (1981 to present); Director, Kansas Bioscience Authority (2009-2016); Committee Member, Kansas Foundation for Medical Care (2001-2011); Trustee, Waddell & Reed Advisors Funds (2007-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2007 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2007 to present) (6 portfolios overseen)

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
James M. Concannon 6300 Lamar Avenue Overland Park, KS 66202 1947	Trustee	2017	Professor of Law, Washburn University School of Law (1973 to present)	89	Director, Kansas Legal Services for Prisoners, Inc. (non-profit community service); Director, U.S. Alliance Corporation and wholly-owned subsidiaries: U.S. Alliance Life and Security Company and Dakota Capital Life Insurance Company (Insurance) (2009 to present); Director, Kansas Appleseed, Inc. (non-profit community service) (2007 to present); Trustee, Waddell & Reed Advisors Funds (1997- 2018); Trustee, Ivy High Income Opportunities Fund (2017 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2017 to present) (3 portfolios overseen); Trustee, Ivy VIP (1997 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2001 to present) (6 portfolios overseen)
James D. Gressett 6300 Lamar Avenue Overland Park, KS 66202 1950	Trustee	2002	Chief Executive Officer (CEO) of CalPac Pizza LLC (2011 to present); CEO of CalPac Pizza II LLC (2012 to present); CEO of PacPizza LLC (Pizza Hut franchise) (2000 to present); Member/ CEO, Southern Pac Pizza LLC (2013 to present); 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)	89	Member/Secretary, The Metochoi Group LLC (1999 to present); Member/ Chairman, Idea Homes LLC (homebuilding and development) (2013 to present); Trustee, Waddell & Reed Advisors Funds (2017- 2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)

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	1998 2006	Dean, College of Law, Vice President, University of Oklahoma (2010 to present); Managing Member, Harroz Investments, LLC, (commercial enterprises) (1998 to present)	89	Director and Shareholder, Valliance Bank (2007 to present); Director, Foundation Healthcare (formerly Graymark HealthCare) (2008-2017); Trustee, The Mewbourne Family Support Organization (2006 to present) (non-profit); Independent Director, LSQ Manager, Inc. (real estate) (2007-2016); Director, Oklahoma Foundation for Excellence (non-profit) (2008 to present); Independent Chairman and Trustee, Waddell & Reed Advisors Funds (Independent Chairman: 2015-2018; Trustee: 1998 to 2018); Independent Chairman and Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Independent Chairman and Trustee, Ivy NextShares, (2016 to present) (3 portfolios overseen); Independent Chairman and Trustee, Ivy VIP, (Independent Chairman: 2015 to present); Trustee: 1998 to present) (29 portfolios overseen); Independent Chairman and Trustee, InvestEd Portfolios (Independent Chairman: 2015 to present; Trustee: 2001 to present) (6 portfolios overseen)

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	2002	Of Counsel, Lee & Smith, PC (law firm, emphasis on finance, securities, mergers and acquisitions law) (1996 to present); Owner and Manager, Castle Valley Ranches, LLC (ranching) and Castle Valley Outdoors, LLC (outdoor recreation) (1995 to present); Formerly, Partner, Kelly, Drye & Warren LLP (law firm) (1989-1996); Partner, Lane & Edson PC (law firm) (1987-1989)	89	Director, Thomas Foundation for Cancer Research (non-profit) (2005 to present); Director, Warriors Afield Legacy Foundation (non-profit) (2014 to present); Trustee, Waddell & Reed Advisors Funds (2017-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)
Frank J. Ross, Jr. Polsinelli PC 700 West 47th Street, Suite 1000 Kansas City, MO 64112 1953	Trustee	2017	Shareholder/Director, Polsinelli PC (law firm) (1980 to present)	89	Director, American Red Cross (community service) (2003-2010); Director, Rockhurst University (education) (2003-2009); Director, March of Dimes Birth Defects Foundation, Greater Kansas City Chapter (2001-2009); Trustee, Waddell & Reed Advisors Funds (1996-2018); Trustee, Ivy High Income Opportunities Fund (2017 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2017 to present) (3 portfolios overseen); Trustee, Ivy VIP (1996 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2001 to present) (6 portfolios overseen)

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
Michael G. Smith 6300 Lamar Avenue Overland Park, KS 66202 1944	Trustee	2002	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)	89	Director, Executive Board, Cox Business School, Southern Methodist University (1998 to present); Director, Northwestern Mutual Funds (2003-2017); Director, CTMG, Inc. (clinical testing) (2008-2015); Trustee, Waddell & Reed Advisors Funds (2017-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)
Edward M. Tighe 6300 Lamar Avenue Overland Park, KS 66202 1942	Trustee	1999	Retired; formerly, CEO and Director of Asgard Holdings LLC (computer network and security services) (2002- 2004); President, Citco Technology Management (1995-2000); CEO, Global Mutual Fund Services (1993- 2000); Sr. Vice President, Templeton Global Investors (1988-1992)	89	Director, The Research Coast Principium Foundation, Inc. (non-profit) (2012-2015); Trustee, Hansberger Institutional Funds (2000-2007); Trustee, Waddell & Reed Advisors Funds (2017-2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (2017 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2017 to present) (6 portfolios overseen)

Interested Trustee

Mr. Herrmann is “interested” by virtue of his former engagement as an officer of Waddell & Reed Financial, Inc. (“WDR”) or its wholly owned subsidiaries, including each Fund’s investment manager, Ivy Investment Management Company (“IICO”), each Fund’s principal underwriter, Ivy Distributors, Inc. (“IDI”), 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	Trustee	1998	Retired, Non-Executive Chairman of the Board, WDR (2016-2018); Formerly Chairman, WDR (2010-2018); CEO, WDR (2005-2016); President, CEO and Chairman, IICO (2002-2016); President, CEO and Chairman, Waddell & Reed Investment Management Company (WRIMCO) (1993-2016); President of each of the funds in the Fund Complex (2001-2016).	89	Director, WDR, (1998 to present); Director, IICO (2002-2016); Director, WRIMCO (1991-2016); Director, WISC (2001-2016); Director, W&R Capital Management Group, Inc. (2008-2016); Director, WRI (1993-2016); Director, Blue Cross Blue Shield of Kansas City (2007-2017); Trustee, Waddell & Reed Advisors Funds (1998 to 2018); Trustee, Ivy High Income Opportunities Fund (2013 to present) (1 portfolio overseen); Trustee, Ivy NextShares (2016 to present) (3 portfolios overseen); Trustee, Ivy VIP (1998 to present) (29 portfolios overseen); Trustee, InvestEd Portfolios (2001 to present) (6 portfolios overseen)

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. 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
Jennifer K. Dulski 6300 Lamar Avenue Overland Park, KS 66202 1980	Secretary	2017	2017	Senior Vice President and Associate General Counsel of Waddell & Reed and Ivy Distributors, Inc. (“IDI”) (2018 to present); Secretary for each of the funds in the Fund Complex (2017 to present)
Joseph W. Kauten 6300 Lamar Avenue Overland Park, KS 66202 1969	Vice President Treasurer Principal Financial Officer	2008 2008 2008	2006 2006 2007	Vice President of Waddell & Reed Services Company (“WRSCO”) (2007 to present); Principal Financial Officer of each of the funds in the Fund Complex (2007 to present); Vice President and Treasurer of each of the funds in the Fund Complex (2006 to present); Principal Accounting Officer of each of the funds in the Funds Complex (2006-2017); Assistant Treasurer of each of the funds in the Fund Complex (2003-2006)

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
Philip J. Sanders** 6300 Lamar Avenue Overland Park, KS 66202 1959	President	2016	2006	CEO, WDR (2016 to present); Chief Investment Officer, WDR (2011 to present); Chief Investment Officer, IICO and WRIMCO (2010 to present); President, CEO and Chairman, IICO and WRIMCO (2016 to present); President of each of the funds in the Funds Complex (2016 to present)
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); Vice President of WRIMCO and IICO (2006 to present); Vice President of each of the funds in the Fund Complex (2006 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); Senior Vice President, Waddell & Reed and IDI (2017 to present); Vice President of Waddell & Reed and IDI (2010-2016)
John E. Sundeen, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1960	Vice President	2008	2006	Senior Vice President (1999 to present) and Chief Administrative Officer (2006 to present) of WDR; Executive Vice President and Chief Administrative Officer of IICO and WRIMCO (2004 to present); Executive Vice President of WRSCO (2016 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).

** Mr. Sanders was Vice President of the Trust since 2006, and of the Fund Complex since 1998, until his appointment as President in August 2016.

(UNAUDITED)

At a meeting of the Board of Trustees (the “Board”) of Ivy Funds (the “Trust”) held on August 14th and 15th, 2018, the Board, including all of the trustees who are not “interested persons” (the “Independent Trustees”), as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”), unanimously approved the continuance of the Investment Management Agreement (the “Management Agreement”) between Ivy Investment Management Company (“IICO”) and the Trust and the continuance of the Investment Subadvisory Agreements between IICO and:

- Apollo Credit Management, LLC (with respect to Ivy Apollo Multi-Asset Income Fund and Ivy Apollo Strategic Income Fund);
- I.G. International Management Limited (with respect to Ivy IG International Small Cap Fund);
- LaSalle Investment Management Securities, LLC (with respect to Ivy LaSalle Global Real Estate Fund, Ivy LaSalle Global Risk-Managed Real Estate Fund and Ivy Apollo Multi-Asset Income Fund);
- Pictet Asset Management Limited and Pictet Asset Management (Singapore) PTE Ltd. (with respect to Ivy Pictet Emerging Markets Local Currency Debt Fund);
- Pictet Asset Management Limited and Pictet Asset Management SA (with respect to Ivy Pictet Targeted Return Bond Fund);
- PineBridge Investments, LLC (with respect to Ivy PineBridge High Yield Fund);
- ProShare Advisors, LLC (with respect to Ivy ProShares S&P 500 Dividend Aristocrats Index Fund, Ivy ProShares Russell 2000 Dividend Growers Index Fund, Ivy ProShares Interest Rate Hedged High Yield Index Fund, Ivy ProShares S&P 500 Bond Index Fund and Ivy ProShares MSCI ACWI Index Fund); and
- Securian Asset Management, Inc. (with respect to Ivy Securian Core Bond Fund and Ivy Securian Real Estate Securities Fund).

Each subadviser is referred to herein as a “Subadviser,” and the Management Agreement and the Investment Subadvisory Agreements are referred to collectively herein as the “Agreements.”

The Board’s Independent Trustees were assisted in their review by independent legal counsel, and met with such counsel separately from representatives of IICO. Independent legal counsel explained the factors that the Board should consider as part of its review of the Agreements, all as outlined in a memorandum it had provided to the Board prior to the meeting, including, among other things, the nature and the quality of the services provided by IICO and the Subadvisers, profitability (including any fall-out benefits) from IICO’s and the Subadvisers’ relationships with each series of the Trust (each, a “Fund” and together, the “Funds”), economies of scale, the role played by the Independent Trustees, and information on comparative fees and expenses. The Independent Trustees also considered the written responses and materials produced by IICO and each Subadviser in response to 15(c) due diligence request lists submitted by the Independent Trustees’ legal counsel prior to the meeting, as well as materials produced in response to a follow-up request list sent to IICO by independent legal counsel on behalf of the Independent Trustees. Included in those responses, which had been provided to the Board prior to the meeting, was a Fund-by-Fund profitability analysis prepared by IICO, as well as an explanation of the methodology by which the profitability analysis was calculated. The Board also received extensive materials on performance, expenses and comparable fund information from Broadridge, Inc. (“Broadridge”) an independent mutual fund rating service. Finally, the Independent Trustees received and reviewed a considerable amount of information that their independent fee consultant had provided to them. The Independent Trustees previously had reviewed and discussed these materials during a telephonic meeting in July 2018. They further reviewed these materials extensively among themselves, with their independent legal counsel and the independent fee consultant, and with the other Board members at executive sessions of the Independent Trustees at the August 14-15, 2018 Board meeting, during which the Board considered various factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Board’s determination to approve the Agreements are discussed separately below.

Nature, Extent and Quality of Services

The Board considered the nature, extent and quality of services provided to the Funds by IICO and each Subadviser, taking into account the large amount of materials produced by IICO and each Subadviser in response to the 15(c) due diligence requests submitted on its behalf by independent legal counsel to the Independent Trustees.

The Board also took into account the report from its Investment Oversight Committee (the “IOC”), in light of that committee’s duties to assist the Board in the 15(c) process. The IOC had reported to the Board on its review of the performance of the Funds, IICO’s investment risk management function, and the on-going changes IICO has been undertaking for itself, the Trust and the overall fund complex. As such, the Board examined all of IICO’s activities in light of performance and expense structure, as well as the proposed overall rationalization of the fund complex, which is designed to provide economies of scale to the shareholders, reduce the Funds’ expenses and enhance the performance of the Funds, particularly in the context of substantial industry change and regulatory developments.

The Board likewise considered the knowledge it had received from its regular meetings, including from the materials provided in connection with those meetings, such as the resources and key personnel of IICO and each Subadviser, as well as the other services provided to the Funds by IICO and each Subadviser (such as managing the quality of execution of portfolio transactions and the selection of broker-dealers for those transactions, monitoring adherence to each Fund's investment restrictions, producing reports, providing support services for the Board and Board committees, communicating with shareholders and overseeing the activities of other service providers, including monitoring compliance with various Fund policies and procedures and with applicable laws and regulations). The Board also took into account the compliance environment at IICO and each Subadviser, noting the resources that IICO has dedicated towards compliance. The Board concluded that the nature and extent of the services provided by IICO and each Subadviser were appropriate, that the quality of those services had been consistent with quality norms in the industry and that the Funds were likely to benefit from the continued provision of those services.

Benefits from the Relationship with the Funds

The Board next discussed whether IICO or any Subadviser derives any other direct or indirect benefit from serving the Funds. In that regard, the Board discussed the transfer agency/shareholder servicing fees that Waddell & Reed Services Company, an affiliate of IICO, provides the Funds. The Board took note of the caps that management previously had agreed to on shareholder servicing costs. The Board also considered the benefits that accrue to each service provider organization from its respective relationship with the Funds, including the fact that a variety of services are provided by affiliates of IICO, including distribution, administrative and Fund accounting services, and, as discussed above, shareholder servicing. After full consideration of these and other factors, the Board concluded that none of IICO, any Subadviser or any of their affiliates receives any additional direct or indirect benefits that would preclude the Board from approving the continuation of the Management Agreement with IICO or any Investment Subadvisory Agreement with a Subadviser.

Economies of Scale

The Board discussed whether economies of scale are being realized by the Funds and whether fee levels reflect those economies of scale for the benefit of the Funds' shareholders. The Board considered the fact that as a Fund's assets have grown, the expenses of that Fund generally have fallen, although the Board took into account that the overall assets of the Funds have fallen during the prior year. Additionally, in that regard, the Board considered the significant number of initiatives that IICO is undertaking to seek to rationalize the fund complex, reduce expenses and enhance performance.

Performance of the Funds and Costs of Services Provided

The Board considered the performance of each Fund and the costs of the services provided, focusing in particular on a number of Funds that the independent fee consultant had identified. Specifically, the Board examined the investment performance of each Fund, including the percentile ranking of each Fund over various periods of time. The Board also examined the performance of each Fund against its respective Lipper index for the same periods. After extensively reviewing all of the performance information provided, the Board concluded that the Funds' performance in each asset class was acceptable. Although the performance of some of the focus Funds identified by the independent fee consultant lagged that of their peers or respective Lipper index, the Board recognized that IICO, or the applicable Subadviser, had taken, or was taking, steps to address that underperformance, and determined to continue to monitor closely the performance of those Funds.

The Board also considered the expenses and expense ratio of each Fund, and the expense limitation and fee reduction arrangements entered into by IICO in light of the services provided by IICO and each Subadviser. The Board also compared each Fund's expenses, including advisory, distribution and shareholder servicing fees, with the expenses and advisory fees of other investment advisers managing similarly situated funds, as well as the advisory fees that IICO (or an affiliate) charges for providing advisory services to other accounts in the same asset class for certain Funds. In that regard, the Board noted that IICO performs significant additional services for the Funds as compared to those other accounts. The Board also took into account the information on IICO's profitability in managing the Funds, including the methodology used to calculate profitability. The Board finally considered the amount of assets in each Fund, each Fund's average account size and how those factors affect the Funds' expense ratios, noting that, as the Funds' assets have increased or decreased over time, the expense ratios of the Funds generally have fallen or risen, respectively. After completing this examination, the Board concluded that each Fund's expenses are appropriate at the current time.

Independent Fee Consultant Review

Independent legal counsel, on behalf of the Independent Trustees, engaged an independent fee consultant to assist them in evaluating the reasonableness of the management fees charged by IICO to the Funds. The independent fee consultant's review addressed the following fee-related factors:

1. The nature, extent and quality of IICO's services to the Funds;

2. Management fees and expenses in the context of performance;
3. Product category expenses, including peers;
4. Profit margins of IICO's parent from supplying such services;
5. Subadviser and institutional fee analyses; and
6. Possible economies of scale as a Fund grows larger.

The following summarizes the findings of the independent fee consultant retained by the Independent Trustees.

Summary Findings

The report stated that IICO delivered reasonable levels of performance in the longer-term periods and reasonable levels of service to the Funds in relation to its management fees as compared to the investment advisers of comparable funds. For the 36 months ended March 31, 2018, approximately 15% of the Funds were in the top quartile of performance and 33% of the Funds were in the top two quartiles of performance and that short-term performance of such Funds were showing signs of improvement. Specifically, the report noted that 49% of the Funds were in the top two quartiles in the one-year period, and that 31% of all such Funds had improving performance in their one-year period. The independent fee consultant noted that the Funds' performance appeared to be grounded in a number of institutional competitive advantages at IICO including economic analysis, investment management depth, ability to attract top talent, strategic vision, performance-focused culture, and an effective trading infrastructure.

The report further indicated that total expenses of the Funds, on average, were 4% below the average total expenses of their respective Broadridge Expense Group peers and flat compared to the average total expenses for their Broadridge Expense Universes. The management fees for the Funds were 4% over the average management fees of their respective Broadridge Expense Group peers and 6% over the average management fees for their Broadridge Expense Universes.

The report also stated that the management fees IICO charges to the Funds are reasonable in relation to the management fees it charges to its institutional account clients. The report noted that these institutional account clients have different service and infrastructure needs and in addition, the average spread between management fees IICO charged to the Funds and those it charges to institutional account clients is reasonable relative to the average fee spreads computed from industry surveys.

The report stated that while it was difficult to confirm overall economies of scale, it was clear that the Funds' shareholders generally are benefitting from lower expenses as the Funds' assets grow through management fee breakpoints, decline in transfer agency expenses, decline in custody contract rates and declines in other non-management expenses.

The report also noted that the overall profitability of IICO's parent relative to other complexes is reasonable. Finally, the report noted that IICO has continued to invest in AUM growth, which is designed to help drive down fund expenses and attract top investment management talent, as well as in fund mergers, which could help drive down expenses, both of which can benefit the Funds' investors.

Finally, the report also examined the fees that IICO retains on Funds that are subadvised by unaffiliated Subadvisers, and indicated that those fees are reasonable relative to the industry. The report also stated that the subadvisory fees that IICO earns for serving as a subadviser to an unaffiliated fund when compared to fees of similar Funds likewise are reasonable relative to the industry.

Conclusions

The independent fee consultant's report concluded that it believes that the services provided by IICO and its affiliates and expenses incurred by the Funds in the previous 12 months are reasonable and provide adequate justification for renewal of the Funds' existing Agreements.

(UNAUDITED)

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

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 affect 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, IDI 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, IDI 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.

(UNAUDITED)

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 Investments' website at www.ivyinvestments.com and on the SEC's website at www.sec.gov.

QUARTERLY PORTFOLIO SCHEDULE INFORMATION

Portfolio holdings can be found on the Trust's website at www.ivyinvestments.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

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:

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 Accumulative Fund
Ivy Core Equity 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 Core Fund
Ivy Small Cap Growth Fund
Ivy Tax-Managed Equity Fund
Ivy Value Fund

Global/International Funds

Ivy Emerging Markets Equity Fund
Ivy European Opportunities Fund
Ivy Global Equity Income Fund
Ivy Global Growth Fund
Ivy Global Income Allocation Fund
Ivy IG International Small Cap Fund
Ivy International Core Equity Fund
Ivy Managed International Opportunities Fund
Ivy Pictet Emerging Markets Local Currency Debt Fund
Ivy Pzena International Value Fund

Index Funds

Ivy ProShares Interest Rate Hedged High Yield Index Fund
Ivy ProShares MSCI ACWI Index Fund
Ivy ProShares Russell 2000 Dividend Growers Index Fund
Ivy ProShares S&P 500 Bond Index Fund
Ivy ProShares S&P 500 Dividend Aristocrats Index Fund

Speciality Funds

Ivy Apollo Multi-Asset Income Fund
Ivy Asset Strategy Fund
Ivy Balanced Fund
Ivy Energy Fund
Ivy LaSalle Global Real Estate Fund
Ivy LaSalle Global Risk-Managed Real Estate Fund
Ivy Natural Resources Fund
Ivy Science and Technology Fund
Ivy Securian Real Estate Securities Fund
Ivy Wilshire Global Allocation Fund

Fixed Income Funds

Ivy Apollo Strategic Income Fund
Ivy California Municipal High Income Fund
Ivy Corporate Bond Fund
Ivy Crossover Credit Fund
Ivy Global Bond Fund
Ivy Government Securities Fund
Ivy High Income Fund
Ivy Limited-Term Bond Fund
Ivy Municipal Bond Fund
Ivy Municipal High Income Fund
Ivy Pictet Targeted Return Bond Fund
Ivy PineBridge High Yield Fund
Ivy Securian Core Bond Fund

Money Market Funds

Ivy Cash Management Fund
Ivy Government Money Market Fund

1.800.777.6472

Visit us online at www.ivyinvestments.com

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

Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of a mutual fund. This and other important information is contained in the prospectus and summary prospectus, which may be obtained at www.ivyinvestments.com or from a financial advisor. Read it carefully before investing.

