



# Semiannual Report

VARIABLE INSURANCE PORTFOLIOS

JUNE 30, 2019

## Ivy Variable Insurance Portfolios

Asset Strategy	Class I	Class II
Balanced		Class II
Energy	Class I	Class II
Growth		Class II
High Income	Class I	Class II
International Core Equity		Class II
Mid Cap Growth	Class I	Class II
Natural Resources		Class II
Science and Technology	Class I	Class II
Small Cap Core		Class II
Small Cap Growth	Class I	Class II

Beginning on January 1, 2021, as permitted by regulations adopted by the U.S. Securities and Exchange Commission (SEC), you may not be receiving paper copies of the Fund's annual or semi-annual shareholder reports by mail, unless you specifically request paper copies of the reports from the insurance company that offers your variable annuity or variable life insurance contract or from your financial intermediary. Instead of delivering paper copies of the report, the insurance company may choose to make the reports available on a website, and will notify you by mail each time a shareholder report is posted and provide you with a website link to access the report. Instructions for requesting paper copies will be provided by your insurance company.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the insurance company or your financial intermediary electronically by following the instructions provided by the insurance company or by contacting your financial intermediary.

You may elect to receive all future Fund shareholder reports in paper free of charge from the insurance company. You can inform the insurance company or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by following the instructions provided by the insurance company or by contacting your financial intermediary. Your election to receive reports in paper will apply to all portfolio companies available under your contract with the insurance company.

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JUNE 30, 2019 (UNAUDITED)



Philip J. Sanders, CFA

## Dear Shareholder,

Equity markets roared back following the sharp correction at year-end 2018, with the S&P 500 Index advancing 17% as of June 30, and every sector posting gains. The rally had a pro-cyclical component as information technology, consumer discretionary and industrials delivered the strongest sector returns, while energy and health care were the laggards.

The U.S. economy remains relatively healthy and is now in the longest economic expansion in U.S. history despite uncertainty about trade and signs of global weakening. We believe the underlying fundamentals — a robust job market, rising wages and low inflation — support continued growth during the rest of 2019. However, U.S. trade policy remains a wildcard and poses a major threat to the current expansion.

The U.S. Federal Reserve (Fed) has held steady on interest rates so far in 2019. However, increasing pressures from trade turmoil and uncertainty around the strength of global growth is likely to lead the Fed to become more accommodative, leading to interest rate cuts in second half of the calendar year.

Emerging markets faced multiple headwinds over the period, namely a strong dollar, China's focus on deleveraging and regulation, trade wars, volatile energy prices and geopolitical risks. Despite near-term concerns and likely volatility across the global equity market, we believe the long-term fundamentals in emerging markets will continue to offer opportunities.

Looking ahead, we believe equities face intensifying headwinds as the pace of global growth slows and trade turmoil lingers. As we examine the investment landscape, we continue to put greater emphasis on the fundamentals and quality of asset classes and sectors. We believe it is important to stay focused on the 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 every investor, we think the innovation and management skill within individual companies are the ultimate drivers of long-term stock prices.

## Economic Snapshot

	6/30/2019	12/31/2018
S&P 500 Index	2,941.76	2,506.85
MSCI EAFE Index	1,922.30	1,719.88
10-Year Treasury Yield	2.00%	2.69%
U.S. unemployment rate	3.7%	3.9%
30-year fixed mortgage rate	3.73%	4.55%
Oil price per barrel	\$58.47	\$45.41

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 crude grade.

Respectfully,

Philip J. Sanders, CFA  
President

**The opinions expressed in this letter are those of the President of the Ivy Variable Insurance Portfolios 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

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As a shareholder of a Portfolio, you incur ongoing costs, including management fees, distribution and service fees, and other Portfolio expenses. The following table is intended to help you understand your ongoing costs (in dollars) of investing in a Portfolio 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 June 30, 2019.

### Actual Expenses

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The first section in the following table provides information about actual investment values and actual expenses for each share class. You may use the information in this section, together with your initial investment in Portfolio shares, to estimate the expenses that you paid over the period. Simply divide the value of that investment by \$1,000 (for example, a \$7,500 initial investment 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 investment during this period. In addition, there are fees and expenses imposed under the variable annuity or variable life insurance contract through which shares of the Portfolio are held. Additional fees have the effect of reducing investment returns.

### Hypothetical Example for Comparison Purposes

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The second section in the following table provides information about hypothetical investment values and hypothetical expenses for each share class based on the Portfolio's actual expense ratio and an assumed rate of return of five percent per year before expenses, which is not the Portfolio's actual return. The hypothetical investment values and expenses may not be used to estimate the actual investment value at the end of the period or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio 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 as a shareholder of the Portfolio and do not reflect any fees and expenses imposed under the variable annuity or variable life insurance contract through which shares of the Portfolio are held.

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 6 in Notes to Financial Statements for further information.

# ILLUSTRATION OF PORTFOLIO EXPENSES

IVY VIP

(UNAUDITED)

Portfolio	Actual <sup>(1)</sup>			Hypothetical <sup>(2)</sup>			Annualized Expense Ratio Based on the Six-Month Period
	Beginning Account Value 12-31-18	Ending Account Value 6-30-19	Expenses Paid During Period*	Beginning Account Value 12-31-18	Ending Account Value 6-30-19	Expenses Paid During Period*	
<b>Asset Strategy</b>							
Class I	\$1,000	\$ 1,149.60	\$ 4.08	\$1,000	\$ 1,021.00	\$ 3.84	0.77%
Class II	\$1,000	\$ 1,148.10	\$ 5.37	\$1,000	\$ 1,019.76	\$ 5.05	1.02%
<b>Balanced</b>							
Class II	\$1,000	\$ 1,126.60	\$ 5.32	\$1,000	\$ 1,019.77	\$ 5.05	1.01%
<b>Energy</b>							
Class I	\$1,000	\$1,094.50	\$ 5.66	\$1,000	\$ 1,019.43	\$ 5.45	1.08%
Class II	\$1,000	\$ 1,093.10	\$ 6.91	\$1,000	\$ 1,018.22	\$ 6.66	1.33%
<b>Growth</b>							
Class II	\$1,000	\$1,239.20	\$ 5.49	\$1,000	\$ 1,019.85	\$ 4.95	1.00%
<b>High Income</b>							
Class I	\$1,000	\$ 1,085.10	\$ 3.44	\$1,000	\$ 1,021.50	\$ 3.34	0.67%
Class II	\$1,000	\$1,083.80	\$ 4.69	\$1,000	\$1,020.25	\$ 4.55	0.92%
<b>International Core Equity</b>							
Class II	\$1,000	\$ 1,119.60	\$ 6.15	\$1,000	\$ 1,019.02	\$ 5.86	1.16%
<b>Mid Cap Growth</b>							
Class I	\$1,000	\$ 1,271.30	\$ 4.77	\$1,000	\$1,020.59	\$ 4.24	0.85%
Class II	\$1,000	\$1,269.80	\$ 6.13	\$1,000	\$ 1,019.35	\$ 5.45	1.10%
<b>Natural Resources</b>							
Class II	\$1,000	\$ 1,097.70	\$ 6.50	\$1,000	\$ 1,018.60	\$ 6.26	1.25%
<b>Science and Technology</b>							
Class I	\$1,000	\$ 1,329.10	\$ 5.24	\$1,000	\$1,020.28	\$ 4.55	0.91%
Class II	\$1,000	\$1,327.50	\$ 6.63	\$1,000	\$ 1,019.05	\$ 5.75	1.16%
<b>Small Cap Core</b>							
Class II	\$1,000	\$ 1,198.20	\$ 6.48	\$1,000	\$ 1,018.94	\$ 5.96	1.18%
<b>Small Cap Growth</b>							
Class I	\$1,000	\$1,232.40	\$ 4.91	\$1,000	\$1,020.37	\$ 4.44	0.89%
Class II	\$1,000	\$1,230.80	\$ 6.36	\$1,000	\$ 1,019.13	\$ 5.75	1.14%

\*Portfolio expenses are equal to the Portfolio's annualized expense ratio (provided in the table), multiplied by the average account value over the period, multiplied by 181 days in the six-month period ended June 30, 2019, and divided by 365.

(1) This section uses the Portfolio's actual total return and actual Portfolio expenses. It is a guide to the actual expenses paid by the Portfolio in the period. The "Ending Account Value" shown is computed using the Portfolio'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 Portfolio. 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 Portfolio expenses. It helps to compare the Portfolio's ongoing costs with other mutual funds. A shareholder can compare the Portfolio's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other Portfolios.

The above illustrations are based on ongoing costs only.

ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

**Asset Allocation**

<b>Stocks</b>	<b>64.8%</b>
Information Technology	13.7%
Industrials	10.9%
Financials	10.8%
Consumer Staples	7.9%
Health Care	6.8%
Energy	5.1%
Consumer Discretionary	4.9%
Communication Services	3.0%
Utilities	1.0%
Materials	0.7%
<b>Bullion (Gold)</b>	<b>5.3%</b>
<b>Bonds</b>	<b>26.3%</b>
Corporate Debt Securities	15.4%
Loans	5.4%
United States Government and Government Agency Obligations	4.2%
Other Government Securities	1.3%
<b>Cash and Other Assets (Net of Liabilities), and Cash Equivalents+</b>	<b>3.6%</b>

**Country Weightings**

<b>North America</b>	<b>47.5%</b>
United States	47.0%
Other North America	0.5%
<b>Europe</b>	<b>30.5%</b>
France	8.3%
United Kingdom	5.6%
Switzerland	5.5%
Netherlands	3.5%
Other Europe	7.6%
<b>Pacific Basin</b>	<b>11.7%</b>
<b>Bullion (Gold)</b>	<b>5.3%</b>
<b>South America</b>	<b>1.3%</b>
<b>Bahamas/Caribbean</b>	<b>0.1%</b>
<b>Cash and Other Assets (Net of Liabilities), and Cash Equivalents+</b>	<b>3.6%</b>

**Top 10 Equity Holdings**

Company	Country	Sector	Industry
Microsoft Corp.	United States	Information Technology	Systems Software
Airbus SE	France	Industrials	Aerospace & Defense
Nestle S.A., Registered Shares	Switzerland	Consumer Staples	Packaged Foods & Meats
Fiserv, Inc.	United States	Information Technology	Data Processing & Outsourced Services
Wal-Mart Stores, Inc.	United States	Consumer Staples	Hypermarkets & Super Centers
AIA Group Ltd.	Hong Kong	Financials	Life & Health Insurance
Adobe, Inc.	United States	Information Technology	Application Software
Visa, Inc., Class A	United States	Information Technology	Data Processing & Outsourced Services
Pfizer, Inc.	United States	Health Care	Pharmaceuticals
Sampo plc, A Shares	Finland	Financials	Multi-Line Insurance

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# CONSOLIDATED SCHEDULE OF INVESTMENTS

# ASSET STRATEGY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Communication Services			Energy			Pharmaceuticals – 4.5%		
Broadcasting – 1.2%			Integrated Oil & Gas – 2.0%			Elanco Animal Health, Inc. (A) . . . . .	136	\$ 4,607
Discovery Holding Co., Class A (A) . . . . .	313	\$ 9,608	Royal Dutch Shell plc, Class A (B) . . . . .	236	\$ 7,676	Merck KGaA (B) . . . . .	58	6,041
Integrated Telecommunication Services – 0.7%			Total S.A. (B) . . . . .	140	7,861	Pfizer, Inc. . . . .	245	10,632
China Unicom Ltd. (B) . . . . .	5,000	5,467			15,537	Roche Holdings AG, Genusscheine (B) . . . . .	22	6,227
Interactive Media & Services – 1.1%			Oil & Gas Exploration & Production – 1.4%			Zoetis, Inc. . . . .	65	7,359
Alphabet, Inc., Class A (A) . . . . .	8	8,360	Cabot Oil & Gas Corp. . . . .	185	4,238			34,866
			EOG Resources, Inc. . . . .	71	6,618			
<b>Total Communication Services – 3.0%</b>		<b>23,435</b>			<b>10,856</b>	<b>Total Health Care – 6.8%</b>		<b>53,271</b>
Consumer Discretionary			Oil & Gas Refining & Marketing – 0.9%			Industrials		
Auto Parts & Equipment – 0.8%			Reliance Industries Ltd. (A)(B) . . . . .	389	7,061	Aerospace & Defense – 4.3%		
Aptiv plc . . . . .	82	6,621	Oil & Gas Storage & Transportation – 0.8%			Airbus SE (B) . . . . .	123	17,410
Automobile Manufacturers – 0.9%			Enterprise Products Partners L.P. . . . .	202	5,837	Lockheed Martin Corp. . . . .	20	7,417
Suzuki Motor Corp. (B) . . . . .	147	6,925			5,837	Northrop Grumman Corp. . . . .	28	8,979
Home Improvement Retail – 1.1%			<b>Total Energy – 5.1%</b>		<b>39,291</b>			33,806
Home Depot, Inc. (The) . . . . .	43	8,891	Financials			Construction & Engineering – 2.1%		
Internet & Direct Marketing Retail – 1.0%			Consumer Finance – 0.8%			Larsen & Toubro Ltd. (B) . . . . .	335	7,538
Amazon.com, Inc. (A) . . . . .	4	7,760	ORIX Corp. (B) . . . . .	423	6,329	Vinci (B) . . . . .	85	8,713
Leisure Facilities – 0.0%			Diversified Banks – 4.0%					16,251
COTA Racing & Entertainment LLC, Class B (A) . . . . .	—*	—	BNP Paribas S.A. (B) . . . . .	141	6,670	Construction Machinery & Heavy Trucks – 1.0%		
Leisure Products – 0.1%			China Construction Bank Corp. (B) . . . . .	8,911	7,682	Caterpillar, Inc. . . . .	57	7,738
Media Group Holdings LLC, Series H (A)(C)(D)(E) . . . . .	32	—*	ICICI Bank Ltd. (B) . . . . .	627	3,972	Electrical Components & Equipment – 1.0%		
Media Group Holdings LLC, Series T (A)(C)(D)(E) . . . . .	4	564	Kabushiki Kaisha Mitsubishi Tokyo Financial Group (B) . . . . .	1,266	6,030	Schneider Electric S.A. (B) . . . . .	91	8,229
		564	UniCredit S.p.A. (B) . . . . .	489	6,025	Railroads – 1.8%		
Restaurants – 1.0%					30,379	Kansas City Southern . . . . .	58	7,029
Compass Group plc (B) . . . . .	345	8,276	Life & Health Insurance – 2.5%			Union Pacific Corp. . . . .	44	7,362
			AIA Group Ltd. (B) . . . . .	1,143	12,339			14,391
<b>Total Consumer Discretionary – 4.9%</b>		<b>39,037</b>	Ping An Insurance (Group) Co. of China Ltd., H Shares (B) . . . . .	607	7,296	Trading Companies & Distributors – 0.7%		
Consumer Staples					19,635	Ferguson plc (B) . . . . .	78	5,569
Household Products – 1.0%			Multi-Line Insurance – 1.3%					85,984
Procter & Gamble Co. (The) . . . . .	70	7,640	Sampo plc, A Shares (B) . . . . .	221	10,454	Information Technology		
Hypermarkets & Super Centers – 1.8%			Multi-Sector Holdings – 1.2%			Application Software – 2.7%		
Wal-Mart Stores, Inc. . . . .	130	14,366	Berkshire Hathaway, Inc., Class B (A) . . . . .	43	9,081	Adobe, Inc. (A) . . . . .	42	12,265
Packaged Foods & Meats – 2.9%			Other Diversified Financial Services – 1.0%			Intuit, Inc. . . . .	34	8,906
Danone S.A. (B) . . . . .	92	7,766	Citigroup, Inc. . . . .	115	8,069			21,171
Nestle S.A., Registered Shares (B) . . . . .	144	14,881			8,069	Data Processing & Outsourced Services – 3.3%		
		22,647	<b>Total Financials – 10.8%</b>		<b>83,947</b>	Fiserv, Inc. (A) . . . . .	158	14,391
Personal Products – 0.9%			Health Care			Visa, Inc., Class A . . . . .	68	11,812
Beiersdorf Aktiengesellschaft (B) . . . . .	63	7,580	Biotechnology – 0.9%					26,203
Tobacco – 1.3%			Sarepta Therapeutics, Inc. (A) . . . . .	45	6,797	Electronic Equipment & Instruments – 0.7%		
Philip Morris International, Inc. . . . .	129	10,146	Health Care Equipment – 0.9%			Keyence Corp. (B) . . . . .	9	5,489
			Zimmer Holdings, Inc. . . . .	62	7,259	Semiconductor Equipment – 1.1%		
<b>Total Consumer Staples – 7.9%</b>		<b>62,379</b>	Life Sciences Tools & Services – 0.5%			ASML Holding N.V., Ordinary Shares (B) . . . . .	41	8,435
			Qiagen N.V. (A) . . . . .	107	4,349			

# CONSOLIDATED SCHEDULE OF INVESTMENTS

# ASSET STRATEGY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS (Continued)			CORPORATE DEBT SECURITIES (Continued)			CORPORATE DEBT SECURITIES (Continued)		
	Shares	Value		Principal	Value		Principal	Value
<b>Semiconductors – 2.0%</b>			<b>Wireless Telecommunication Service – 0.3%</b>			<b>Investment Banking &amp; Brokerage – 0.5%</b>		
QUALCOMM, Inc.	93	\$ 7,099	Crown Castle Towers LLC,			Goldman Sachs Group, Inc. (The)		
Taiwan Semiconductor Manufacturing Co. Ltd. (A)(B)	1,096	8,383	4.241%, 7-15-28 (F)	\$ 2,144	\$ 2,304	(3-Month U.S. LIBOR plus 117 bps),		
		15,482				3.688%, 5-15-26 (G)	\$ 4,330	\$ 4,269
<b>Systems Software – 3.1%</b>			<b>Total Communication Services – 3.1%</b>			<b>Specialized Finance – 0.1%</b>		
Microsoft Corp.	183	24,491	Consumer Discretionary			Syngenta Finance N.V.,		
<b>Technology Hardware, Storage &amp; Peripherals – 0.8%</b>			Leisure Facilities – 0.3%			5.182%, 4-24-28 (F)	480	499
Samsung Electronics Co. Ltd. (B)	154	6,272	Circuit of the Americas LLC, Series D,			<b>Total Financials – 7.7%</b>		
			0.000%, 10-2-23 (H)	3,642	2,027	<b>60,446</b>		
<b>Total Information Technology – 13.7%</b>			<b>Total Consumer Discretionary – 0.3%</b>			<b>Health Care</b>		
		107,543			2,027	<b>Pharmaceuticals – 0.2%</b>		
<b>Materials</b>			<b>Consumer Staples</b>			<b>Teva Pharmaceutical Finance</b>		
Diversified Metals & Mining – 0.7%			Tobacco – 0.3%			Netherlands III B.V. (GTD by Teva Pharmaceutical Industries Ltd.),		
Glencore International plc (B)	1,708	5,910	Altria Group, Inc. (GTD by Philip Morris USA, Inc.),			2.800%, 7-21-23	2,034	1,764
			5.950%, 2-14-49	2,000	2,275	<b>Total Health Care – 0.2%</b>		
<b>Total Materials – 0.7%</b>			<b>Total Consumer Staples – 0.3%</b>			<b>1,764</b>		
		5,910			2,275	<b>Industrials</b>		
<b>Utilities</b>			<b>Energy</b>			<b>Railroads – 0.3%</b>		
Electric Utilities – 1.0%			Integrated Oil & Gas – 0.5%			Rumo Luxembourg S.a.r.l.,		
E.ON AG (B)	717	7,778	Petroleos Mexicanos,			7.375%, 2-9-24 (F)	1,781	1,922
			4.875%, 1-24-22	4,071	4,057	<b>Security &amp; Alarm Services – 0.7%</b>		
<b>Total Utilities – 1.0%</b>			<b>Oil &amp; Gas Equipment &amp; Services – 0.1%</b>			<b>Prime Security Services Borrower</b>		
		7,778	SESI LLC,			LLC and Prime Finance, Inc.,		
<b>TOTAL COMMON STOCKS – 64.8%</b>			<b>Total Energy – 0.6%</b>			<b>9.250%, 5-15-23 (F)</b>		
		\$508,575			4,741	<b>5,084 5,339</b>		
(Cost: \$459,463)			<b>Financials</b>			<b>Total Industrials – 1.0%</b>		
<b>CORPORATE DEBT SECURITIES</b>			<b>Diversified Banks – 5.7%</b>			<b>7,261</b>		
<b>Principal</b>			<b>Banco Mercantil del Norte S.A.,</b>			<b>Information Technology</b>		
<b>Communication Services</b>			<b>6.750%, 9-27-67 (F)</b>			<b>Data Processing &amp; Outsourced Services – 0.3%</b>		
<b>Cable &amp; Satellite – 1.7%</b>			<b>Barclays plc:</b>			<b>Alliance Data Systems Corp.,</b>		
Altice France S.A.,			7.875%, 12-29-49	10,192	10,664	5.375%, 8-1-22 (F)	2,189	2,218
8.125%, 2-1-27 (F)	\$ 2,600	2,730	8.000%, 6-15-64	2,013	2,111	<b>IT Consulting &amp; Other Services – 0.4%</b>		
Altice Luxembourg S.A.,			ING Groep N.V.,			Atento Luxco 1 S.A.,		
10.500%, 5-15-27 (F)	3,397	3,490	6.875%, 12-29-49	3,697	3,895	6.125%, 8-10-22 (F)	3,201	3,221
Altice S.A.:			Royal Bank of Scotland Group plc (The),			<b>Semiconductors – 0.4%</b>		
7.750%, 5-15-22 (F)	1,413	1,436	8.625%, 12-29-49	10,193	10,985	Broadcom, Inc.,		
7.625%, 2-15-25 (F)	4,656	4,380	Societe Generale Group,			4.250%, 4-15-26 (F)	3,025	3,065
Comcast Corp. (GTD by Comcast Cable Communications and NBCUniversal) (3-Month U.S. LIBOR plus 63 bps),			7.375%, 12-29-49 (F)	5,723	6,017	<b>Total Information Technology – 1.1%</b>		
3.227%, 4-15-24 (G)	1,528	1,534	Standard Chartered plc:			<b>8,504</b>		
		13,570	4.305%, 5-21-30 (F)	2,437	2,523	<b>Materials</b>		
<b>Integrated Telecommunication Services – 1.1%</b>			7.500%, 12-29-49 (F)	2,481	2,624	<b>Diversified Metals &amp; Mining – 0.9%</b>		
Frontier Communications Corp.:			UniCredit S.p.A.:			<b>Glencore Funding LLC:</b>		
7.625%, 4-15-24	2,119	1,202	5.861%, 6-19-32 (F)	3,700	3,541	4.125%, 3-12-24 (F)	2,415	2,506
6.875%, 1-15-25	4,337	2,429	7.296%, 4-2-34 (F)	1,612	1,708	4.875%, 3-12-29 (F)	4,025	4,239
11.000%, 9-15-25	3,180	1,972			45,083	<b>6,745</b>		
9.000%, 8-15-31	2,119	1,202	<b>Diversified Capital Markets – 1.4%</b>			<b>Credit Suisse Group AG:</b>		
West Corp.,			7.125%, 7-29-66	5,889	6,250	<b>7.500%, 6-11-67 (F)</b>		
8.500%, 10-15-25 (F)	1,500	1,313		3,950	4,345	<b>10,595</b>		
		8,118						



# CONSOLIDATED SCHEDULE OF INVESTMENTS

# ASSET STRATEGY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

CORPORATE DEBT SECURITIES (Continued)		Principal	Value	LOANS (G) (Continued)		Principal	Value	UNITED STATES GOVERNMENT OBLIGATIONS		Principal	Value
Steel – 0.2%				Investment Banking & Brokerage – 0.3%				Treasury Inflation Protected Obligations – 2.7%			
EVRAZ plc, 5.250%, 4-2-24 (F)		\$ 1,411	\$ 1,468	Jane Street Group LLC (ICE LIBOR plus 300 bps), 5.402%, 8-25-22	\$ 2,158	\$ 2,143	U.S. Treasury Notes:				
							0.125%, 4-15-21	\$ 7,565	\$ 7,494		
							0.625%, 1-15-26	7,552	7,733		
							0.125%, 7-15-26	6,290	6,248		
<b>Total Materials – 1.1%</b>			<b>8,213</b>	Property & Casualty Insurance – 1.6%							<b>21,475</b>
				Amynta Agency Borrower, Inc. (ICE LIBOR plus 400 bps), 6.902%, 2-28-25	5,337	5,170	Treasury Obligations – 1.5%				
<b>TOTAL CORPORATE DEBT SECURITIES – 15.4%</b>			<b>\$119,223</b>	Hub International Ltd. (ICE LIBOR plus 300 bps), 5.586%, 4-25-25	524	511	U.S. Treasury Bonds:				
(Cost: \$119,290)				USI, Inc. (ICE LIBOR plus 300 bps), 5.330%, 5-16-24	7,322	7,130	2.750%, 8-15-47	8,828	9,200		
							3.000%, 2-15-49	2,024	2,220		
<b>OTHER GOVERNMENT SECURITIES (I)</b>											<b>11,420</b>
Argentina – 1.3%				<b>Total Financials – 2.3%</b>		<b>18,113</b>					
Province of Mendoza, 8.375%, 5-19-24	4,362	3,730		Health Care			<b>TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 4.2%</b>				<b>\$ 32,895</b>
Republic of Argentina: 4.625%, 1-11-23	6,531	5,238		Health Care Facilities – 0.6%			(Cost: \$32,206)				
5.875%, 1-11-28	2,100	1,596		RegionalCare Hospital Partners Holdings, Inc. (ICE LIBOR plus 450 bps), 6.904%, 11-16-25	2,003	1,990	<b>BULLION – 5.3%</b>				
				Surgery Center Holdings, Inc. (ICE LIBOR plus 325 bps), 5.660%, 8-31-24	2,834	2,730	Gold	29	41,231		
							(Cost: \$36,084)				
							<b>SHORT-TERM SECURITIES</b>				
<b>TOTAL OTHER GOVERNMENT SECURITIES – 1.3%</b>			<b>\$ 10,564</b>	Health Care Services – 0.3%			Commercial Paper (K) – 1.7%				
(Cost: \$12,499)				Heartland Dental LLC, 0.000%, 4-30-25 (J)	58	55	Diageo Capital plc (GTD by Diageo plc), 3.010%, 7-10-19	\$5,000	4,996		
				Heartland Dental LLC (ICE LIBOR plus 375 bps), 6.152%, 4-30-25	2,574	2,434	Florida Power & Light Co., 2.910%, 7-19-19	3,981	3,975		
<b>LOANS (G)</b>							UnitedHealth Group, Inc., 2.481%, 7-3-19	4,000	3,998		
Communication Services											<b>12,969</b>
Integrated Telecommunication Services – 0.7%				<b>Total Health Care – 0.9%</b>		<b>7,209</b>	Master Note – 0.5%				
West Corp. (3-Month ICE LIBOR plus 400 bps), 6.522%, 10-10-24	6,125	5,706		Information Technology			Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.620%, 7-5-19 (L)	4,151	4,151		
				Application Software – 0.4%							
<b>Total Communication Services – 0.7%</b>			<b>5,706</b>	Avaya, Inc. (ICE LIBOR plus 425 bps), 6.651%, 12-15-24	3,132	2,991	United States Government Agency Obligations – 1.0%				
							Overseas Private Investment Corp. (GTD by U.S. Government) (3-Month U.S. TB Rate):				
Consumer Staples				<b>Total Information Technology – 0.4%</b>		<b>2,991</b>	2.350%, 7-7-19 (L)	5,833	5,833		
Hypermarkets & Super Centers – 0.1%				Materials			2.400%, 7-7-19 (L)	2,000	2,000		
GOBP Holdings, Inc. (ICE LIBOR plus 375 bps), 6.135%, 10-22-25	446	445		Construction Materials – 0.7%							<b>7,833</b>
				Hillman Group, Inc. (The) (ICE LIBOR plus 350 bps), 6.402%, 5-31-25	5,331	5,125	<b>TOTAL SHORT-TERM SECURITIES – 3.2%</b>				<b>\$ 24,953</b>
<b>Total Consumer Staples – 0.1%</b>			<b>445</b>				(Cost: \$24,957)				
				<b>Total Materials – 0.7%</b>		<b>5,125</b>	<b>TOTAL INVESTMENT SECURITIES – 99.6%</b>				<b>\$779,798</b>
Energy							(Cost: \$728,255)				
Oil & Gas Storage & Transportation – 0.3%				<b>TOTAL LOANS – 5.4%</b>		<b>\$42,357</b>	<b>CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.4%</b>				<b>2,845</b>
EPIC Crude Services L.P., 0.000%, 2-21-26 (J)	1,018	1,000		(Cost: \$43,756)							
EPIC Crude Services L.P. (ICE LIBOR plus 500 bps), 7.410%, 3-1-26	1,800	1,768					<b>NET ASSETS – 100.0%</b>				<b>\$782,643</b>
<b>Total Energy – 0.3%</b>			<b>2,768</b>								
Financials											
Financial Exchanges & Data – 0.4%											
Financial & Risk U.S. Holdings, Inc. (ICE LIBOR plus 375 bps), 6.152%, 10-1-25	3,260	3,159									

JUNE 30, 2019 (UNAUDITED)

## Notes to Consolidated 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) Restricted securities. At June 30, 2019, the Portfolio owned the following restricted securities:

Security	Acquisition Date(s)	Shares	Cost	Market Value
Media Group Holdings LLC, Series H	8-29-13 to 10-31-13	32	\$22,370	\$ -
Media Group Holdings LLC, Series T	7-2-13 to 1-23-15	4	8,413	564
			<u>\$30,783</u>	<u>\$564</u>

The total value of these securities represented 0.1% of net assets at June 30, 2019.

(D) Investment is owned by an entity that is treated as a corporation for U.S. tax purposes and is owned by the Portfolio and consolidated as described in Note 5 of the Notes to Financial Statements.

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

(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 June 30, 2019 the total value of these securities amounted to \$61,903 or 7.9% of net assets.

(G) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. Description of the reference rate and spread, if applicable, are included in the security description.

(H) Zero coupon bond.

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

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

(K) Rate shown is the yield to maturity at June 30, 2019.

(L) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks			
Communication Services	\$ 17,968	\$ 5,467	\$ —
Consumer Discretionary	23,272	15,201	564
Consumer Staples	32,152	30,227	—
Energy	16,693	22,598	—
Financials	17,150	66,797	—
Health Care	41,003	12,268	—
Industrials	38,525	47,459	—
Information Technology	78,964	28,579	—
Materials	—	5,910	—
Utilities	—	7,778	—
Total Common Stocks	<u>\$ 265,727</u>	<u>\$242,284</u>	<u>\$564</u>
Corporate Debt Securities	—	119,223	—
Other Government Securities	—	10,564	—
Loans	—	42,357	—
United States Government Obligations	—	32,895	—
Bullion	41,231	—	—
Short-Term Securities	—	24,953	—
Total	<u>\$306,958</u>	<u>\$472,276</u>	<u>\$564</u>

During the period ended June 30, 2019, there were no transfers in or out of Level 3.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

ICE = Intercontinental Exchange

LIBOR = London Interbank Offered Rate

TB = Treasury Bill

JUNE 30, 2019 (UNAUDITED)

## Country Diversification

(as a % of net assets)

United States	47.0%
France	8.3%
United Kingdom	5.6%
Switzerland	5.5%
Netherlands	3.5%
Japan	3.2%
Germany	2.8%
China	2.6%

## Country Diversification (Continued)

India	2.4%
Luxembourg	1.8%
Hong Kong	1.6%
Italy	1.5%
Argentina	1.3%
Finland	1.3%
Taiwan	1.1%
Other Countries	1.6%
Other+	8.9%

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

ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

<b>Stocks</b>	<b>61.7%</b>
Information Technology	12.4%
Financials	9.7%
Industrials	7.8%
Consumer Discretionary	6.9%
Health Care	6.3%
Communication Services	5.2%
Energy	5.0%
Consumer Staples	4.8%
Materials	3.6%
<b>Bonds</b>	<b>35.9%</b>
United States Government and Government Agency Obligations	23.5%
Corporate Debt Securities	12.1%
Loans	0.3%
<b>Cash and Other Assets (Net of Liabilities), and Cash Equivalents+</b>	<b>2.4%</b>

## Top 10 Equity Holdings

Company	Sector	Industry
Microsoft Corp.	Information Technology	Systems Software
Union Pacific Corp.	Industrials	Railroads
Autodesk, Inc.	Information Technology	Application Software
PPG Industries, Inc.	Materials	Specialty Chemicals
General Mills, Inc.	Consumer Staples	Packaged Foods & Meats
Zimmer Holdings, Inc.	Health Care	Health Care Equipment
Las Vegas Sands, Inc.	Consumer Discretionary	Casinos & Gaming
QUALCOMM, Inc.	Information Technology	Semiconductors
Blackstone Group L.P. (The)	Financials	Asset Management & Custody Banks
PNC Financial Services Group, Inc. (The)	Financials	Regional Banks

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

BALANCED (in thousands)

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
<b>Communication Services</b>			<b>Financials</b>			<b>Trucking – 1.0%</b>		
Integrated Telecommunication Services – 1.2%			Asset Management & Custody Banks – 1.7%			Knight Transportation, Inc. . . . .	101	\$ 3,317
Verizon Communications, Inc. . . . .	65	\$ 3,733	Blackstone Group L.P. (The) . . . . .	125	\$ 5,574	<b>Total Industrials – 7.8%</b>		<b>25,505</b>
Interactive Home Entertainment – 1.3%			Diversified Banks – 2.2%			<b>Information Technology</b>		
Electronic Arts, Inc. (A) . . . . .	43	4,384	Northern Trust Corp. . . . .	43	3,851	Application Software – 1.8%		
Interactive Media & Services – 1.4%			U.S. Bancorp . . . . .	63	3,302	Autodesk, Inc. (A) . . . . .	37	6,070
Alphabet, Inc., Class A (A) . . . . .	4	4,620			7,153	Communications Equipment – 1.1%		
Movies & Entertainment – 1.3%			Investment Banking & Brokerage – 1.3%			Cisco Systems, Inc. . . . .	64	3,522
Walt Disney Co. (The) . . . . .	31	4,309	Goldman Sachs Group, Inc. (The) . . . . .	21	4,382	Data Processing & Outsourced Services – 1.3%		
<b>Total Communication Services – 5.2%</b>		<b>17,046</b>	Multi-Sector Holdings – 1.3%			Fiserv, Inc. (A)(B) . . . . .	48	4,349
<b>Consumer Discretionary</b>			Berkshire Hathaway, Inc., Class B (A) . . . . .	20	4,181	Electronic Manufacturing Services – 0.5%		
Apparel, Accessories & Luxury Goods – 1.1%			Other Diversified Financial Services – 1.6%			IPG Photonics Corp. (A) . . . . .	11	1,698
Coach, Inc. . . . .	112	3,564	JPMorgan Chase & Co. . . . .	47	5,273	Semiconductors – 4.5%		
Casinos & Gaming – 1.7%			Regional Banks – 1.6%			Intel Corp. . . . .	97	4,645
Las Vegas Sands, Inc. . . . .	98	5,797	PNC Financial Services Group, Inc. (The) . . . . .	39	5,379	Micron Technology, Inc. (A) . . . . .	114	4,417
General Merchandise Stores – 1.2%			<b>Total Financials – 9.7%</b>		<b>31,942</b>	QUALCOMM, Inc. . . . .	76	5,769
Dollar General Corp. . . . .	29	3,869	<b>Health Care</b>					14,831
Home Improvement Retail – 1.5%			Biotechnology – 0.7%			Systems Software – 1.9%		
Lowe's Co., Inc. . . . .	48	4,847	Biogen, Inc. (A) . . . . .	10	2,358	Microsoft Corp. . . . .	46	6,149
Restaurants – 1.4%			Health Care Equipment – 2.9%			Technology Hardware, Storage & Peripherals – 1.3%		
Domino's Pizza, Inc. . . . .	17	4,732	Medtronic plc . . . . .	36	3,483	Apple, Inc. . . . .	21	4,230
<b>Total Consumer Discretionary – 6.9%</b>		<b>22,809</b>	Zimmer Holdings, Inc. . . . .	51	5,971	<b>Total Information Technology – 12.4%</b>		<b>40,849</b>
<b>Consumer Staples</b>					9,454	<b>Materials</b>		
Distillers & Vintners – 1.4%			Managed Health Care – 1.3%			Commodity Chemicals – 1.2%		
Constellation Brands, Inc. . . . .	23	4,491	Anthem, Inc. . . . .	15	4,217	LyondellBasell Industries N.V., Class A . . . . .	47	4,076
Packaged Foods & Meats – 1.8%			Pharmaceuticals – 1.4%			Industrial Gases – 0.5%		
General Mills, Inc. . . . .	114	6,004	Jazz Pharmaceuticals plc (A) . . . . .	20	2,874	Air Products and Chemicals, Inc. . . . .	8	1,719
Tobacco – 1.6%			Pfizer, Inc. . . . .	41	1,768	Specialty Chemicals – 1.9%		
Philip Morris International, Inc. . . . .	68	5,359	<b>Total Health Care – 6.3%</b>		<b>20,671</b>	PPG Industries, Inc. . . . .	52	6,011
<b>Total Consumer Staples – 4.8%</b>		<b>15,854</b>	<b>Industrials</b>			<b>Total Materials – 3.6%</b>		<b>11,806</b>
<b>Energy</b>			Aerospace & Defense – 1.6%			<b>TOTAL COMMON STOCKS – 61.7%</b>		<b>\$203,200</b>
Integrated Oil & Gas – 2.7%			Boeing Co. (The) . . . . .	14	5,201	(Cost: \$182,039)		
Chevron Corp. . . . .	33	4,121	Agricultural & Farm Machinery – 1.2%			<b>CORPORATE DEBT SECURITIES</b> Principal		
Hess Corp. . . . .	73	4,637	Deere & Co. . . . .	23	3,872	<b>Communication Services</b>		
		8,758	Airlines – 0.8%			Cable & Satellite – 0.3%		
Oil & Gas Equipment & Services – 0.1%			Delta Air Lines, Inc. . . . .	44	2,510	Comcast Corp. (GTD by Comcast Cable Communications and NBCUniversal): . . . . .		
Core Laboratories N.V. (B) . . . . .	10	512	Electrical Components & Equipment – 1.4%			4.250%, 10-15-30 . . . . .	\$450	501
Oil & Gas Exploration & Production – 0.7%			Emerson Electric Co. . . . .	68	4,522	4.700%, 10-15-48 . . . . .	450	527
Cimarex Energy Co. . . . .	41	2,433	Railroads – 1.8%					1,028
Oil & Gas Storage & Transportation – 1.5%			Union Pacific Corp. . . . .	36	6,083	<b>Total Communication Services – 0.3%</b>		<b>1,028</b>
Enterprise Products Partners L.P. . . . .	174	5,015						
<b>Total Energy – 5.0%</b>		<b>16,718</b>						

# SCHEDULE OF INVESTMENTS

BALANCED *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

CORPORATE DEBT SECURITIES (Continued)			CORPORATE DEBT SECURITIES (Continued)			CORPORATE DEBT SECURITIES (Continued)		
	Principal	Value		Principal	Value		Principal	Value
Consumer Discretionary			Investment Banking & Brokerage – 0.9%			Health Care Supplies – 0.3%		
Internet & Direct Marketing Retail – 0.3%			Credit Suisse Group Funding			Shire Acquisitions Investments Ireland		
Amazon.com, Inc.,			(Guernsey) Ltd.,			Designated Activity Co.,		
2.800%, 8-22-24	\$ 1,000	\$ 1,029	2.750%, 3-26-20	\$ 500	\$ 501	2.875%, 9-23-23	\$ 1,000	\$ 1,009
<b>Total Consumer Discretionary – 0.3%</b>		<b>1,029</b>	Goldman Sachs Group, Inc. (The):			Pharmaceuticals – 0.9%		
Consumer Staples			2.905%, 7-24-23	2,000	2,018	Celgene Corp.,		
Distillers & Vintners – 0.1%			5.700%, 12-29-49	245	245	3.450%, 11-15-27	500	521
Bacardi Ltd.,					<u>2,764</u>	Forest Laboratories, Inc.,		
4.450%, 5-15-25 (C)	350	372	Life & Health Insurance – 0.6%			5.000%, 12-15-21 (C)	1,258	1,315
Household Products – 0.8%			Northwestern Mutual Life Insurance			Johnson & Johnson,		
Colgate-Palmolive Co.,			Co. (The),			3.400%, 1-15-38	1,000	1,041
3.700%, 8-1-47	2,500	2,673	3.850%, 9-30-47 (C)	1,000	1,028			<u>2,877</u>
Tobacco – 0.2%			Sumitomo Life Insurance Co.,			<b>Total Health Care – 1.8%</b>		<b>6,025</b>
BAT International Finance plc,			4.000%, 9-14-77 (B)(C)	1,000	1,012	Industrials		
2.750%, 6-15-20 (C)	600	602			<u>2,040</u>	Aerospace & Defense – 0.8%		
<b>Total Consumer Staples – 1.1%</b>		<b>3,647</b>	Multi-Line Insurance – 0.1%			Huntington Ingalls Industries, Inc.,		
Energy			Aon plc (GTD by Aon Corp.),			3.483%, 12-1-27	1,000	1,016
Oil & Gas Drilling – 0.8%			2.800%, 3-15-21	500	503	Northrop Grumman Corp.,		
Nabors Industries Ltd., Convertible,						3.250%, 1-15-28	1,500	1,539
0.750%, 1-15-24	3,600	2,571	Other Diversified Financial Services – 0.7%					<u>2,555</u>
Oil & Gas Storage & Transportation – 0.6%			Citigroup, Inc.:			Airlines – 0.1%		
Colorado Interstate Gas Co.,			5.950%, 12-29-49	150	154	Southwest Airlines Co.,		
4.150%, 8-15-26 (C)	800	827	6.250%, 12-29-49	750	824	2.650%, 11-5-20	375	376
Williams Partners L.P.,			JPMorgan Chase & Co.:			Environmental & Facilities Services – 0.3%		
3.600%, 3-15-22	1,000	1,026	5.000%, 12-29-49	750	748	Waste Management, Inc. (GTD by		
		<u>1,853</u>	5.300%, 11-1-65	250	253	Waste Management Holdings,		
<b>Total Energy – 1.4%</b>		<b>4,424</b>	JPMorgan Chase & Co. (3-Month U.S.			Inc.),		
Financials			LIBOR plus 347 bps),			3.150%, 11-15-27	1,000	1,032
Consumer Finance – 0.3%			6.053%, 4-29-49 (D)	285	284	Railroads – 0.1%		
General Motors Financial Co., Inc.					<u>2,263</u>	Kansas City Southern de Mexico S.A.		
(GTD by AmeriCredit Financial			Property & Casualty Insurance – 0.1%			de C.V.,		
Services, Inc.):			Berkshire Hathaway Finance Corp.			2.350%, 5-15-20	291	290
3.450%, 4-10-22	250	254	(GTD by Berkshire Hathaway, Inc.),			<b>Total Industrials – 1.3%</b>		<b>4,253</b>
3.700%, 5-9-23	150	152	2.200%, 3-15-21	200	201	Information Technology		
Hyundai Capital America,						Electronic Equipment & Instruments – 0.2%		
2.550%, 4-3-20 (C)	500	499	Regional Banks – 0.3%			Keysight Technologies, Inc.,		
		<u>905</u>	PNC Bank N.A.,			4.600%, 4-6-27	500	534
Diversified Banks – 1.1%			3.250%, 6-1-25	600	622	Technology Hardware, Storage & Peripherals – 0.3%		
DBS Group Holdings Ltd.,			SunTrust Banks, Inc.,			Apple, Inc.,		
2.246%, 7-16-19 (C)	1,000	1,000	5.625%, 12-29-49	400	402	3.200%, 5-11-27	1,000	1,042
HSBC Holdings plc,					<u>1,024</u>	<b>Total Information Technology – 0.5%</b>		<b>1,576</b>
3.400%, 3-8-21	625	634	<b>Total Financials – 4.1%</b>		<b>13,544</b>	Materials		
ING Bank N.V.,			Health Care			Diversified Metals & Mining – 0.2%		
2.500%, 10-1-19 (C)	500	500	Biotechnology – 0.3%			Anglo American plc,		
Mizuho Bank Ltd.,			Amgen, Inc.,			4.125%, 4-15-21 (C)	500	512
2.650%, 9-25-19 (C)	1,300	1,301	2.125%, 5-1-20	1,000	997			
U.S. Bancorp,			Health Care Equipment – 0.1%					
3.100%, 4-27-26	400	409	Zimmer Holdings, Inc.,					
		<u>3,844</u>	2.700%, 4-1-20	350	350			
			Health Care Services – 0.2%					
			Quest Diagnostics, Inc.,					
			3.450%, 6-1-26	773	792			

# SCHEDULE OF INVESTMENTS

BALANCED (in thousands)

JUNE 30, 2019 (UNAUDITED)

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Specialty Chemicals – 0.3%		
Ecolab, Inc., 3.250%, 12-1-27	\$1,000	\$ 1,041
<b>Total Materials – 0.5%</b>		<b>1,553</b>
Real Estate		
Specialized REITs – 0.4%		
American Tower Corp., 2.250%, 1-15-22	1,200	1,194
Crown Castle International Corp., 5.250%, 1-15-23	200	218
		<u>1,412</u>
<b>Total Real Estate – 0.4%</b>		<b>1,412</b>
Utilities		
Electric Utilities – 0.4%		
Duke Energy Corp., 3.150%, 8-15-27	500	507
Entergy Texas, Inc., 2.550%, 6-1-21	300	299
Exelon Corp., 2.450%, 4-15-21	400	400
		<u>1,206</u>
<b>Total Utilities – 0.4%</b>		<b>1,206</b>
<b>TOTAL CORPORATE DEBT SECURITIES – 12.1%</b>		<b>\$39,697</b>
(Cost: \$39,291)		
<b>LOANS (D)</b>		
Industrials		
Industrial Machinery – 0.3%		
Dynacast International LLC (ICE LIBOR plus 850 bps), 10.830%, 1-30-23	1,100	1,078
<b>Total Industrials – 0.3%</b>		<b>1,078</b>
<b>TOTAL LOANS – 0.3%</b>		<b>\$ 1,078</b>
(Cost: \$1,088)		

## UNITED STATES GOVERNMENT AGENCY OBLIGATIONS

Mortgage-Backed Obligations – 1.2%		
Federal Home Loan Mortgage Corp. Fixed Rate Participation Certificates:		
4.500%, 6-1-44	590	635
3.000%, 6-15-45	783	810
Federal National Mortgage Association Fixed Rate Pass- Through Certificates:		
6.500%, 10-1-28	60	65
6.500%, 2-1-29	30	33

## UNITED STATES GOVERNMENT AGENCY OBLIGATIONS (Continued)

	Principal	Value
Mortgage-Backed Obligations (Continued)		
3.500%, 6-25-29	\$ 481	\$ 508
7.500%, 4-1-31	28	31
7.000%, 7-1-31	36	42
7.000%, 9-1-31	70	80
6.500%, 2-1-32	149	172
7.000%, 2-1-32	103	119
7.000%, 3-1-32	35	41
7.000%, 7-1-32	71	81
5.500%, 5-1-33	35	38
5.500%, 6-1-33	35	39
4.500%, 11-1-43	493	537
3.000%, 10-25-46	809	834
U.S. Department of Veterans Affairs, Guaranteed REMIC Pass-Through Certificates, Vendee Mortgage Trust 1997-A, Class 3-A, 8.293%, 12-15-26	28	31
		<u>4,096</u>
<b>TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 1.2%</b>		<b>\$4,096</b>
(Cost: \$4,054)		
<b>UNITED STATES GOVERNMENT OBLIGATIONS</b>		
Treasury Inflation Protected Obligations – 3.6%		
U.S. Treasury Notes:		
0.125%, 7-15-26	4,264	4,235
2.125%, 2-15-40	3,783	4,843
1.000%, 2-15-46	2,588	2,713
		<u>11,791</u>
Treasury Obligations – 18.7%		
U.S. Treasury Bonds:		
2.250%, 11-15-25	3,240	3,316
3.500%, 2-15-39	4,000	4,747
3.875%, 8-15-40	225	281
3.750%, 8-15-41	650	798
3.000%, 2-15-48	250	273
3.000%, 8-15-48	3,060	3,351
3.000%, 2-15-49	1,750	1,919
U.S. Treasury Notes:		
2.625%, 8-31-20	1,250	1,260
2.875%, 10-31-20	1,320	1,337
2.750%, 11-30-20	750	759
2.250%, 2-15-21	4,837	4,869
2.875%, 10-15-21	11,195	11,476
2.875%, 11-15-21	750	770
1.875%, 4-30-22	200	201
2.000%, 7-31-22	1,045	1,053
1.875%, 10-31-22	1,000	1,005
2.000%, 10-31-22	480	484
2.125%, 12-31-22	6,300	6,384
2.875%, 9-30-23	2,000	2,092
2.875%, 10-31-23	600	628
2.750%, 11-15-23	500	521
2.125%, 9-30-24	1,000	1,016
2.250%, 10-31-24	3,635	3,718
2.500%, 1-31-25	1,250	1,296
2.875%, 4-30-25	1,000	1,058

## UNITED STATES GOVERNMENT OBLIGATIONS (Continued)

	Principal	Value
Treasury Obligations (Continued)		
2.875%, 5-31-25	\$ 900	\$ 952
3.000%, 9-30-25	900	961
2.625%, 12-31-25	800	837
2.375%, 5-15-27	340	351
2.750%, 2-15-28	250	266
2.875%, 5-15-28	575	617
2.875%, 8-15-28	1,987	2,134
3.125%, 11-15-28	700	767
		<u>61,497</u>
<b>TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 22.3%</b>		<b>\$ 73,288</b>
(Cost: \$70,269)		
<b>SHORT-TERM SECURITIES</b>		
Commercial Paper (E) – 1.1%		
Walgreens Boots Alliance, Inc., 2.531%, 7-1-19	3,604	3,603
Master Note – 1.0%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.620%, 7-5-19 (F)	3,284	3,284
		<u>Shares</u>
Money Market Funds – 0.2%		
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares, 2.360%, (G)(H)	671	671
<b>TOTAL SHORT-TERM SECURITIES – 2.3%</b>		<b>\$ 7,558</b>
(Cost: \$7,559)		
<b>TOTAL INVESTMENT SECURITIES – 99.9%</b>		<b>\$328,917</b>
(Cost: \$304,300)		
<b>CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.1%</b>		<b>193</b>
<b>NET ASSETS – 100.0%</b>		<b>\$329,110</b>

# SCHEDULE OF INVESTMENTS

BALANCED *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

## Notes to Schedule of Investments

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

(B) All or a portion of securities with an aggregate value of \$4,554 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 June 30, 2019 the total value of these securities amounted to \$8,968 or 2.7% of net assets.

(D) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. Description of the reference rate and spread, if applicable, are included in the security description.

(E) Rate shown is the yield to maturity at June 30, 2019.

(F) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 June 30, 2019.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks	\$203,200	\$ —	\$—
Corporate Debt Securities	—	39,697	—
Loans	—	1,078	—
United States Government Agency Obligations	—	4,096	—
United States Government Obligations	—	73,288	—
Short-Term Securities	671	6,887	—
Total	\$ 203,871	\$125,046	\$—

During the period ended June 30, 2019, securities totaling \$1,023 were transferred from Level 3 to Level 2 due to increased availability of observable market data due to increased market activity or information for these securities.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

ICE = Intercontinental Exchange

LIBOR = London Interbank Offered Rate

REMIC = Real Estate Mortgage Investment Conduit

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.



ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

**Asset Allocation**

Stocks	97.9%
Energy	92.1%
Information Technology	3.3%
Industrials	2.5%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	2.1%

**Country Weightings**

North America	91.8%
United States	89.6%
Other North America	2.2%
Europe	6.1%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	2.1%

**Top 10 Equity Holdings**

Company	Country	Sector	Industry
Concho Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Pioneer Natural Resources Co.	United States	Energy	Oil & Gas Exploration & Production
Continental Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Diamondback Energy, Inc.	United States	Energy	Oil & Gas Exploration & Production
Valero Energy Corp.	United States	Energy	Oil & Gas Refining & Marketing
Phillips 66	United States	Energy	Oil & Gas Refining & Marketing
EOG Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Marathon Petroleum Corp.	United States	Energy	Oil & Gas Refining & Marketing
Parsley Energy, Inc., Class A	United States	Energy	Oil & Gas Exploration & Production
Wright Express Corp.	United States	Information Technology	Data Processing & Outsourced Services

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

ENERGY (in thousands)

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
<b>Energy</b>			<b>Industrials</b>		
Integrated Oil & Gas – 4.1%			Industrial Machinery – 2.5%		
Chevron Corp. ....	7	\$ 815	Apergy Corp. (A) .....	32	\$ 1,066
Suncor Energy, Inc. ....	30	944			
		1,759	<b>Total Industrials – 2.5%</b>		<b>1,066</b>
Oil & Gas Drilling – 4.3%			<b>Information Technology</b>		
Patterson-UTI Energy, Inc. ....	83	952	Data Processing & Outsourced Services – 3.3%		
Transocean, Inc. (A) .....	139	891	Wright Express Corp. (A) .....	7	1,425
		1,843	<b>Total Information Technology – 3.3%</b>		<b>1,425</b>
Oil & Gas Equipment & Services – 27.6%			<b>TOTAL COMMON STOCKS – 97.9%</b>		
Baker Hughes, Inc. ....	43	1,047			<b>\$ 41,734</b>
C&J Energy Services, Inc. (A) .....	41	486	(Cost: \$57,551)		
Cactus, Inc., Class A (A) .....	41	1,362	<b>SHORT-TERM SECURITIES</b>		
Core Laboratories N.V. (B) .....	11	572	Principal		
Dril-Quip, Inc. (A) .....	26	1,245	Master Note – 1.2%		
FMC Technologies, Inc. ....	44	1,130	Toyota Motor Credit Corp. (1-Month		
Frank's International N.V. (A) .....	85	463	U.S. LIBOR plus 15 bps),		
FTS International, Inc. (A) .....	63	352	2.620%, 7-5-19 (C) .....		
Halliburton Co. ....	46	1,036		\$ 517	517
Helix Energy Solutions Group,			Shares		
Inc. (A) .....	89	765	Money Market Funds – 2.8%		
Liberty Oilfield Services, Inc.,			Dreyfus Institutional Preferred		
Class A (B) .....	34	550	Government Money Market Fund		
National Oilwell Varco, Inc. ....	17	373	– Institutional Shares,		
ProPetro Holding Corp. (A) .....	53	1,088	2.360%, (D)(E) .....		
Schlumberger Ltd. ....	32	1,278		1,185	1,185
		11,747	<b>TOTAL SHORT-TERM SECURITIES – 4.0%</b>		<b>\$ 1,702</b>
Oil & Gas Exploration & Production – 37.4%			(Cost: \$1,702)		
Centennial Resource Development,			<b>TOTAL INVESTMENT SECURITIES – 101.9%</b>		
Inc., Class A (A) .....	45	344			<b>\$ 43,436</b>
Concho Resources, Inc. ....	22	2,307	(Cost: \$59,253)		
Continental Resources, Inc. (A) .....	44	1,835	<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Diamondback Energy, Inc. ....	16	1,782	<b>ASSETS – (1.9%)</b>		
EOG Resources, Inc. ....	17	1,537			<b>(810)</b>
Marathon Oil Corp. ....	83	1,173	<b>NET ASSETS – 100.0%</b>		
Oasis Petroleum LLC (A) .....	129	730			<b>\$ 42,626</b>
Parsley Energy, Inc.,					
Class A (A) .....	75	1,430			
Pioneer Natural Resources Co. ....	12	1,854			
Viper Energy Partners L.P. ....	28	849			
Whiting Petroleum Corp. (A)(B) .....	40	740			
WPX Energy, Inc. (A) .....	119	1,371			
		15,952			
Oil & Gas Refining & Marketing – 13.4%					
Marathon Petroleum Corp. ....	26	1,439			
PBF Energy, Inc., Class A .....	30	942			
Phillips 66 .....	17	1,627			
Valero Energy Corp. ....	20	1,682			
		5,690			
Oil & Gas Storage & Transportation – 5.3%					
Energy Transfer L.P. ....	24	332			
Enterprise Products Partners L.P. ....	32	931			
MPLX L.P. ....	8	273			
Rattler Midstream L.P. (A) .....	37	716			
		2,252			
<b>Total Energy – 92.1%</b>		<b>39,243</b>			

JUNE 30, 2019 (UNAUDITED)

## Notes to Schedule of Investments

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

(B) All or a portion of securities with an aggregate value of \$1,155 are on loan.

(C) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 June 30, 2019.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks	\$41,734	\$—	\$—
Short-Term Securities	1,185	517	—
Total	\$42,919	\$517	\$—

The following acronym is used throughout this schedule:

LIBOR = London Interbank Offered Rate

## Country Diversification

(as a % of net assets)

United States	89.6%
United Kingdom	2.7%
Canada	2.2%
Switzerland	2.1%
Netherlands	1.3%
Other+	2.1%

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

ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

<b>Stocks</b>	<b>100.0%</b>
Information Technology	35.2%
Consumer Discretionary	18.0%
Health Care	13.0%
Industrials	12.4%
Communication Services	10.9%
Financials	5.2%
Consumer Staples	2.8%
Real Estate	2.5%
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>0.0%</b>

## Top 10 Equity Holdings

Company	Sector	Industry
Microsoft Corp.	Information Technology	Systems Software
Amazon.com, Inc.	Consumer Discretionary	Internet & Direct Marketing Retail
Visa, Inc., Class A	Information Technology	Data Processing & Outsourced Services
Apple, Inc.	Information Technology	Technology Hardware, Storage & Peripherals
Alphabet, Inc., Class A	Communication Services	Interactive Media & Services
CME Group, Inc.	Financials	Financial Exchanges & Data
Zoetis, Inc.	Health Care	Pharmaceuticals
PayPal, Inc.	Information Technology	Data Processing & Outsourced Services
Verisk Analytics, Inc., Class A	Industrials	Research & Consulting Services
Adobe, Inc.	Information Technology	Application Software

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

GROWTH (in thousands)

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
<b>Communication Services</b>			<b>Health Care</b>			<b>Internet Services &amp; Infrastructure – 2.0%</b>		
Cable & Satellite – 0.7%			Health Care Equipment – 4.9%			VeriSign, Inc. (A)	74	\$ 15,478
Comcast Corp., Class A	132	\$ 5,564	Abiomed, Inc. (A)	27	\$ 7,033			
			Danaher Corp.	139	19,909			
			Intuitive Surgical, Inc. (A)	21	11,068			
					38,010			
Interactive Home Entertainment – 1.5%						<b>Systems Software – 8.7%</b>		
Electronic Arts, Inc. (A)	116	11,746				Microsoft Corp.	500	66,913
						<b>Technology Hardware, Storage &amp; Peripherals – 4.6%</b>		
Interactive Media & Services – 8.7%			Life Sciences Tools & Services – 1.4%			Apple, Inc.	179	35,480
Alphabet, Inc., Class A (A)	30	32,224	llumina, Inc. (A)	30	10,934			
Alphabet, Inc., Class C (A)	12	13,005						
Facebook, Inc., Class A (A)	114	21,925				<b>Total Information Technology – 35.2%</b>		
		67,154	Managed Health Care – 1.7%					271,758
			UnitedHealth Group, Inc.	53	12,981	<b>Real Estate</b>		
<b>Total Communication Services – 10.9%</b>		<b>84,464</b>				<b>Specialized REITs – 2.5%</b>		
<b>Consumer Discretionary</b>			Pharmaceuticals – 5.0%			American Tower Corp., Class A	58	11,878
Apparel, Accessories & Luxury Goods – 2.8%			Pfizer, Inc.	333	14,417	Equinix, Inc.	15	7,615
V.F. Corp.	244	21,313	Zoetis, Inc.	210	23,822			19,493
					38,239			
			<b>Total Health Care – 13.0%</b>		<b>100,164</b>	<b>Total Real Estate – 2.5%</b>		
Automobile Manufacturers – 2.0%								19,493
Ferrari N.V.	98	15,771	<b>Industrials</b>			<b>TOTAL COMMON STOCKS – 100.0%</b>		
								\$772,050
Footwear – 2.6%			Aerospace & Defense – 2.9%			(Cost: \$527,802)		
NIKE, Inc., Class B	235	19,762	Boeing Co. (The)	28	10,120	<b>SHORT-TERM SECURITIES</b>		
			Northrop Grumman Corp.	37	11,858			Principal
					21,978	Master Note – 0.1%		
Home Improvement Retail – 2.4%			Construction Machinery & Heavy Trucks – 0.9%			Toyota Motor Credit Corp. (1-Month		
Home Depot, Inc. (The)	88	18,218	Caterpillar, Inc.	50	6,814	U.S. LIBOR plus 15 bps),		
						2.620%, 7-5-19 (B)		
			Industrial Machinery – 0.7%			\$ 412		
Internet & Direct Marketing Retail – 7.5%			Stanley Black & Decker, Inc.	39	5,582	<b>TOTAL SHORT-TERM SECURITIES – 0.1%</b>		
Amazon.com, Inc. (A)	21	39,204				\$ 412		
Booking Holdings, Inc. (A)	10	18,721				(Cost: \$412)		
		57,925	Railroads – 1.1%			<b>TOTAL INVESTMENT SECURITIES – 100.1%</b>		
			Union Pacific Corp.	52	8,743	(Cost: \$528,214)		
Specialty Stores – 0.7%						<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Ulta Beauty, Inc. (A)	16	5,634	Research & Consulting Services – 5.8%			<b>ASSETS – (0.1%)</b>		
			CoStar Group, Inc. (A)	39	21,442			
<b>Total Consumer Discretionary – 18.0%</b>		<b>138,623</b>	Verisk Analytics, Inc., Class A	160	23,419			
<b>Consumer Staples</b>					44,861			
Personal Products – 2.3%			Trucking – 1.0%					
Estee Lauder Co., Inc. (The), Class A	98	17,927	J.B. Hunt Transport Services, Inc.	82	7,459			
Soft Drinks – 0.5%			<b>Total Industrials – 12.4%</b>		<b>95,437</b>			
Monster Beverage Corp. (A)	59	3,785						
			<b>Information Technology</b>					
<b>Total Consumer Staples – 2.8%</b>		<b>21,712</b>	Application Software – 6.3%					
<b>Financials</b>			Adobe, Inc. (A)	78	22,835			
Financial Exchanges & Data – 5.2%			Intuit, Inc.	65	16,986			
CME Group, Inc.	150	29,020	salesforce.com, Inc. (A)	58	8,816			
S&P Global, Inc.	50	11,379			48,637			
		40,399	Data Processing & Outsourced Services – 13.6%					
<b>Total Financials – 5.2%</b>		<b>40,399</b>	Broadridge Financial Solutions, Inc.	91	11,657			
			FleetCor Technologies, Inc. (A)	35	9,830			
			MasterCard, Inc., Class A	84	22,251			
			PayPal, Inc. (A)	208	23,765			
			Visa, Inc., Class A	218	37,747			
					105,250			

JUNE 30, 2019 (UNAUDITED)

## Notes to Schedule of Investments

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

(B) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks .....	\$772,050	\$ —	\$—
Short-Term Securities .....	—	412	—
Total .....	<u>\$772,050</u>	<u>\$412</u>	<u>\$—</u>

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 JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

<b>Stocks</b>	<b>5.4%</b>
Financials	2.8%
Consumer Discretionary	1.5%
Energy	1.0%
Health Care	0.1%
Communication Services	0.0%
Consumer Staples	0.0%
Industrials	0.0%
<b>Warrants</b>	<b>0.0%</b>
<b>Bonds</b>	<b>86.8%</b>
Corporate Debt Securities	66.4%
Loans	20.4%
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>7.8%</b>

## Quality Weightings

<b>Non-Investment Grade</b>	<b>86.8%</b>
BB	8.7%
B	48.6%
CCC	26.6%
Below CCC	0.7%
Non-rated	2.2%
<b>Liabilities (Net of Cash and Other Assets), Cash Equivalents+ and Equities</b>	<b>13.2%</b>

*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.*

# SCHEDULE OF INVESTMENTS

HIGH INCOME *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	INVESTMENT FUNDS	Shares	Value	CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Communication Services			Registered Investment Companies – 2.8%			Cable & Satellite – 8.1%		
Cable & Satellite – 0.0%			iShares iBoxx \$ High Yield			Altice Financing S.A.:		
Altice N.V., Class A (A)(B) . . . . .	78	\$ 278	Corporate Bond ETF . . . . .	290	\$25,282	6.625%, 2-15-23 (E) . . . . .	\$ 950	\$ 973
Altice USA, Inc., Class A (A) . . . . .	17	407				7.500%, 5-15-26 (E) . . . . .	4,462	4,485
		685	<b>TOTAL INVESTMENT FUNDS – 2.8%</b>		<b>\$25,282</b>	Altice France S.A.:		
<b>Total Communication Services – 0.0%</b>		<b>685</b>	(Cost: \$25,202)			7.375%, 5-1-26 (E) . . . . .	7,396	7,581
Consumer Discretionary			<b>PREFERRED STOCKS</b>			8.125%, 2-1-27 (E) . . . . .	6,013	6,314
Apparel Retail – 0.0%			Consumer Staples			Altice Luxembourg S.A.,		
True Religion Apparel,			Agricultural Products – 0.0%			10.500%, 5-15-27 (E) . . . . .	11,289	11,599
Inc. (A)(B)(C) . . . . .	13	—	Pinnacle Agriculture Enterprises			Altice S.A.:		
		—	LLC (A)(C)(D) . . . . .	4,583	359	7.250%, 5-15-22 (E)(I) . . . . .	EUR 55	64
Casinos & Gaming – 0.0%						7.750%, 5-15-22 (E) . . . . .	\$ 2,510	2,551
New Cotai Participation Corp.,			<b>Total Consumer Staples – 0.0%</b>		<b>359</b>	6.250%, 2-15-25 (E)(I) . . . . .	EUR 354	400
Class B (A)(C)(D) . . . . .	—	—				7.625%, 2-15-25 (E) . . . . .	\$ 5,952	5,598
Education Services – 0.8%			Energy			Altice U.S. Finance I Corp.:		
Laureate Education, Inc.,			Oil & Gas Exploration & Production – 0.9%			5.375%, 7-15-23 (E) . . . . .	3,161	3,248
Class A (A) . . . . .	443	6,954	Targa Resources Corp.,			5.500%, 5-15-26 (E) . . . . .	2,745	2,879
		—	9.500% (A)(D) . . . . .	8	8,166	Block Communications, Inc.,		
Hotels, Resorts & Cruise Lines – 0.7%						6.875%, 2-15-25 (E) . . . . .	149	155
Studio City International Holdings			<b>Total Energy – 0.9%</b>		<b>8,166</b>	CCO Holdings LLC and CCO		
Ltd. (A) . . . . .	343	6,801				Holdings Capital Corp.:		
		—	<b>TOTAL PREFERRED STOCKS – 0.9%</b>		<b>\$ 8,525</b>	5.500%, 5-1-26 (E) . . . . .	1,187	1,242
<b>Total Consumer Discretionary – 1.5%</b>		<b>13,755</b>	(Cost: \$10,499)			5.000%, 2-1-28 (E) . . . . .	4,233	4,323
Consumer Staples			<b>WARRANTS</b>			CSC Holdings LLC,		
Agricultural Products – 0.0%			Oil & Gas Exploration & Production – 0.0%			5.375%, 2-1-28 (E) . . . . .	4,930	5,121
ASG Warrant Corp. (A)(C) . . . . .	1	—	Sabine Oil & Gas Corp., expires 12-			DISH DBS Corp.:		
		—	29-29 (D)(G) . . . . .	1	4	5.875%, 7-15-22 . . . . .	2,310	2,345
<b>Total Consumer Staples – 0.0%</b>		<b>—</b>	Ultra Resources, Inc., expires			5.875%, 11-15-24 . . . . .	1,724	1,631
Energy			7-14-25 (G) . . . . .	20	—	7.750%, 7-1-26 . . . . .	2,821	2,765
Coal & Consumable Fuels – 0.0%					4	Neptune Finco Corp.,		
Westmoreland Coal Co. (A)(C) . . . . .	29	415	<b>TOTAL WARRANTS – 0.0%</b>		<b>\$ 4</b>	6.625%, 10-15-25 (E) . . . . .	788	843
		—	(Cost: \$13)			VTR Finance B.V.,		
Oil & Gas Equipment & Services – 0.0%			<b>CORPORATE DEBT SECURITIES</b>			6.875%, 1-15-24 (E) . . . . .	8,223	8,511
Larchmont Resources			Communication Services					<u>72,628</u>
LLC (A)(B)(C)(D)(F) . . . . .	1	252	Advertising – 0.1%			Integrated Telecommunication Services – 5.1%		
		—	Outfront Media Capital LLC and Outfront Media Capital			Frontier Communications Corp.:		
Oil & Gas Exploration & Production – 0.1%			Corp.,			6.875%, 1-15-25 . . . . .	6,315	3,537
Bellatrix Exploration Ltd. (A)(B) . . . . .	436	300	5.625%, 2-15-24 . . . . .	\$ 573	590	11.000%, 9-15-25 . . . . .	8,236	5,106
Sabine Oil & Gas Corp. (A)(D) . . . . .	—	7				8.500%, 4-1-26 (E) . . . . .	8,357	8,106
		307	Alternative Carriers – 0.1%			8.000%, 4-1-27 (E) . . . . .	10,033	10,434
<b>Total Energy – 0.1%</b>		<b>974</b>	Consolidated Communications			GCI, Inc.,		
Health Care			Finance II Co.,			6.875%, 4-15-25 . . . . .	4,808	5,012
Pharmaceuticals – 0.1%			6.500%, 10-1-22 (H) . . . . .	926	863	West Corp.,		
Advanz Pharma Corp. (A)(B) . . . . .	35	570	Broadcasting – 1.7%			8.500%, 10-15-25 (E) . . . . .	15,487	13,551
		—	Clear Channel International B.V.,					<u>45,746</u>
<b>Total Health Care – 0.1%</b>		<b>570</b>	8.750%, 12-15-20 (E) . . . . .	454	464	Publishing – 0.4%		
Industrials			Clear Channel Outdoor Holdings, Inc.,			E.W. Scripps Co.,		
Air Freight & Logistics – 0.0%			6.500%, 11-15-22 . . . . .	9,435	9,615	5.125%, 5-15-25 (E) . . . . .	351	337
BIS Industries Ltd. (C)(D) . . . . .	1,605	97	Clear Channel Worldwide Holdings, Inc.,			MDC Partners, Inc.,		
		—	9.250%, 2-15-24 (E) . . . . .	4,677	5,074	6.500%, 5-1-24 (E) . . . . .	3,426	3,148
<b>Total Industrials – 0.0%</b>		<b>97</b>						<u>3,485</u>
<b>TOTAL COMMON STOCKS – 1.7%</b>		<b>\$16,081</b>				Wireless Telecommunication Service – 1.1%		
(Cost: \$13,992)						Digicel Group Ltd.:		
						8.250%, 9-30-22 (E) . . . . .	760	164
						8.250%, 12-30-22 (E) . . . . .	806	443
						Digicel Group Ltd. (7.125% Cash or		
						2.000% PIK),		
						9.125%, 4-1-24 (E)(J) . . . . .	1,285	264
						Digicel International Finance Ltd.,		
						8.750%, 5-25-24 (E)(H) . . . . .	8,401	7,939



# SCHEDULE OF INVESTMENTS

HIGH INCOME *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Wireless Telecommunication Service (Continued)		
Digicel Ltd., 6.750%, 3-1-23 (E) . . . . .	\$ 2,507	\$ 1,404
		<u>10,214</u>
<b>Total Communication Services – 16.6%</b>		<b>148,679</b>
Consumer Discretionary		
Auto Parts & Equipment – 0.1%		
Adient U.S. LLC, 7.000%, 5-15-26 (E) . . . . .	272	279
Panther BF Aggregator 2 L.P., 6.250%, 5-15-26 (E) . . . . .	669	695
		<u>974</u>
Automotive Retail – 0.7%		
Allison Transmission, Inc., 5.000%, 10-1-24 (E) . . . . .	781	797
Penske Automotive Group, Inc., 5.500%, 5-15-26 . . . . .	474	494
Sonic Automotive, Inc.: 5.000%, 5-15-23 . . . . .	3,603	3,634
6.125%, 3-15-27 . . . . .	1,198	1,177
		<u>6,102</u>
Casinos & Gaming – 1.7%		
Everi Payments, Inc., 7.500%, 12-15-25 (E) . . . . .	4,320	4,514
Gateway Casinos & Entertainment Ltd., 8.250%, 3-1-24 (E) . . . . .	2,450	2,579
Golden Nugget, Inc., 6.750%, 10-15-24 (E) . . . . .	5,273	5,431
Wynn Macau Ltd.: 4.875%, 10-1-24 (E) . . . . .	855	838
5.500%, 10-1-27 (E) . . . . .	2,301	2,238
		<u>15,600</u>
Education Services – 2.3%		
Laureate Education, Inc., 8.250%, 5-1-25 (E) . . . . .	19,228	21,006
Hotels, Resorts & Cruise Lines – 0.3%		
Boyne USA, Inc., 7.250%, 5-1-25 (E) . . . . .	2,468	2,671
Leisure Facilities – 0.3%		
Cedar Fair L.P., Magnum Management Corp., Canada's Wonderland Co. and Millennium Operations LLC, 5.375%, 4-15-27 . . . . .	2,137	2,217
Restaurants – 0.1%		
1011778 B.C. Unlimited Liability Co. and New Red Finance, Inc., 5.000%, 10-15-25 (E) . . . . .	1,061	1,069

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Specialized Consumer Services – 0.4%		
Nielsen Co. (Luxembourg) S.a.r.l. (The), 5.500%, 10-1-21 (E) . . . . .	\$ 2,371	\$ 2,380
Nielsen Finance LLC and Nielsen Finance Co., 5.000%, 4-15-22 (E) . . . . .	896	895
		<u>3,275</u>
Specialty Stores – 3.4%		
Cumberland Farms, Inc., 6.750%, 5-1-25 (E) . . . . .	1,904	2,018
Party City Holdings, Inc., 6.625%, 8-1-26 (E)(H) . . . . .	1,912	1,855
Staples, Inc.: 7.500%, 4-15-26 (E) . . . . .	16,924	16,825
10.750%, 4-15-27 (E) . . . . .	10,154	10,103
		<u>30,801</u>
<b>Total Consumer Discretionary – 9.3%</b>		<b>83,715</b>
Consumer Staples		
Food Distributors – 0.6%		
Performance Food Group, Inc., 5.500%, 6-1-24 (E) . . . . .	2,754	2,813
U.S. Foods, Inc., 5.875%, 6-15-24 (E) . . . . .	2,910	2,990
		<u>5,803</u>
Packaged Foods & Meats – 4.3%		
JBS USA LLC and JBS USA Finance, Inc.: 5.875%, 7-15-24 (E) . . . . .	5,708	5,872
5.750%, 6-15-25 (E) . . . . .	4,650	4,836
JBS USA Lux S.A. and JBS USA Finance, Inc., 6.750%, 2-15-28 (E) . . . . .	3,115	3,384
JBS USA, JBS USA Food Co. and JBS USA Finance, Inc. (GTD by JBS S.A.), 6.500%, 4-15-29 (E) . . . . .	545	592
Pilgrim's Pride Corp.: 5.750%, 3-15-25 (E) . . . . .	881	894
5.875%, 9-30-27 (E) . . . . .	3,082	3,194
Post Holdings, Inc.: 5.500%, 3-1-25 (E) . . . . .	781	806
5.000%, 8-15-26 (E) . . . . .	1,267	1,284
5.750%, 3-1-27 (E) . . . . .	5,618	5,801
Simmons Foods, Inc.: 7.750%, 1-15-24 (E) . . . . .	1,656	1,784
5.750%, 11-1-24 (E) . . . . .	10,900	9,919
		<u>38,366</u>
<b>Total Consumer Staples – 4.9%</b>		<b>44,169</b>
Energy		
Oil & Gas Drilling – 1.0%		
EnSCO plc, 7.750%, 2-1-26 . . . . .	2,484	1,851

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Oil & Gas Drilling (Continued)		
KCA Deutag UK Finance plc, 7.250%, 5-15-21 (E) . . . . .	\$5,209	\$3,920
Offshore Drilling Holding S.A., 8.375%, 9-20-20 (E)(K) . . . . .	8,682	2,995
Offshore Group Investment Ltd., 0.000%, 11-1-19 (C)(L) . . . . .	1,693	—
		<u>8,766</u>
Oil & Gas Equipment & Services – 1.0%		
Brand Energy & Infrastructure Services, Inc., 8.500%, 7-15-25 (E) . . . . .	3,292	2,983
McDermott Escrow 1, Inc. and McDermott Escrow 2, Inc., 10.625%, 5-1-24 (E) . . . . .	4,298	4,017
Nine Energy Service, Inc., 8.750%, 11-1-23 (E) . . . . .	1,917	1,869
SESI LLC, 7.125%, 12-15-21 . . . . .	906	632
		<u>9,501</u>
Oil & Gas Exploration & Production – 3.5%		
Bellatrix Exploration Ltd., 8.500%, 9-11-23 . . . . .	1,022	1,037
Bellatrix Exploration Ltd. (3.000% Cash or 9.500% PIK), 9.500%, 12-15-23 (J) . . . . .	1,113	1,130
Chesapeake Energy Corp.: 7.000%, 10-1-24 (H) . . . . .	4,475	4,016
8.000%, 1-15-25 (H) . . . . .	377	348
Crownrock L.P., 5.625%, 10-15-25 (E) . . . . .	7,521	7,521
Endeavor Energy Resources L.P.: 5.500%, 1-30-26 (E) . . . . .	2,453	2,542
5.750%, 1-30-28 (E) . . . . .	1,789	1,883
Extraction Oil & Gas, Inc., 5.625%, 2-1-26 (E) . . . . .	3,370	2,721
Laredo Petroleum, Inc., 6.250%, 3-15-23 (H) . . . . .	821	764
Sanchez Energy Corp., 7.250%, 2-15-23 (E)(H) . . . . .	622	471
Seven Generations Energy Ltd.: 6.750%, 5-1-23 (E) . . . . .	5,646	5,745
5.375%, 9-30-25 (E) . . . . .	2,523	2,428
Ultra Resources, Inc. (9.000% Cash or 2.000% PIK), 11.000%, 7-12-24 (J) . . . . .	1,005	382
WildHorse Resource Development Corp., 6.875%, 2-1-25 . . . . .	668	628
		<u>31,616</u>
Oil & Gas Refining & Marketing – 1.5%		
Callon Petroleum Co. (GTD by Callon Petroleum Operating Co.): 6.125%, 10-1-24 . . . . .	1,081	1,092
6.375%, 7-1-26 . . . . .	386	388
Comstock Escrow Corp., 9.750%, 8-15-26 . . . . .	10,817	8,302

# SCHEDULE OF INVESTMENTS

HIGH INCOME *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Oil & Gas Refining & Marketing (Continued)		
EP Energy LLC and Everest Acquisition Finance, Inc.:		
9.375%, 5-1-24 (E) . . . . .	\$ 1,320	\$ 304
8.000%, 2-15-25 (E) . . . . .	1,386	302
7.750%, 5-15-26 (E) . . . . .	1,933	1,725
QEP Resources, Inc.,		
5.625%, 3-1-26 . . . . .	1,599	1,503
		<u>13,616</u>
<b>Total Energy – 7.0%</b>		<b>63,499</b>
Financials		
Consumer Finance – 0.9%		
CURO Group Holdings Corp.,		
8.250%, 9-1-25 (E) . . . . .	3,179	2,646
Quicken Loans, Inc.,		
5.750%, 5-1-25 (E) . . . . .	5,176	5,330
		<u>7,976</u>
Financial Exchanges & Data – 1.2%		
Refinitiv U.S. Holdings, Inc.:		
6.250%, 5-15-26 (E) . . . . .	2,561	2,634
8.250%, 11-15-26 (E) . . . . .	8,449	8,690
		<u>11,324</u>
Insurance Brokers – 1.1%		
NFP Corp.,		
6.875%, 7-15-25 (E) . . . . .	10,370	10,263
Other Diversified Financial Services – 1.5%		
New Cotai LLC and New Cotai Capital Corp. (10.625% Cash or 10.625% PIK),		
10.625%, 12-1-19 (E)(J)(M) . . . . .	26,095	13,570
Property & Casualty Insurance – 1.1%		
Amwins Group, Inc.,		
7.750%, 7-1-26 (E) . . . . .	3,153	3,263
Hub International Ltd.,		
7.000%, 5-1-26 (E) . . . . .	6,394	6,482
		<u>9,745</u>
Specialized Finance – 2.0%		
BCPE Cycle Merger Sub II, Inc.,		
10.625%, 7-15-27 (E) . . . . .	5,496	5,565
Compass Group Diversified Holdings LLC,		
8.000%, 5-1-26 (E) . . . . .	2,534	2,642
Hadrian Merger Sub, Inc.,		
8.500%, 5-1-26 (E) . . . . .	4,714	4,455
Tervita Escrow Corp.,		
7.625%, 12-1-21 (E) . . . . .	1,289	1,311
TMX Finance LLC and TitleMax Finance Corp.,		
11.125%, 4-1-23 (E) . . . . .	3,903	3,688
		<u>17,661</u>

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Thrifts & Mortgage Finance – 0.3%		
Provident Funding Associates L.P. and PFG Finance Corp.,		
6.375%, 6-15-25 (E) . . . . .	\$ 2,943	\$ 2,766
<b>Total Financials – 8.1%</b>		<b>73,305</b>
Health Care		
Health Care Facilities – 2.3%		
DaVita HealthCare Partners, Inc.,		
5.125%, 7-15-24 . . . . .	548	548
MPH Acquisition Holdings LLC,		
7.125%, 6-1-24 (E) . . . . .	1,906	1,787
RegionalCare Hospital Partners Holdings, Inc. and Legend Merger Sub, Inc.,		
9.750%, 12-1-26 (E) . . . . .	11,472	12,017
Surgery Center Holdings, Inc.,		
10.000%, 4-15-27 (E) . . . . .	6,050	6,035
		<u>20,387</u>
Health Care Services – 0.1%		
Polaris Intermediate Corp.,		
8.500%, 12-1-22 (E) . . . . .	1,307	1,153
Health Care Technology – 1.1%		
Verscend Holding Corp.,		
9.750%, 8-15-26 (E) . . . . .	9,366	9,741
Life Sciences Tools & Services – 0.9%		
Avantor, Inc.,		
9.000%, 10-1-25 (E) . . . . .	6,976	7,778
Pharmaceuticals – 2.2%		
Advanz Pharma Corp.,		
8.000%, 9-6-24 . . . . .	430	417
Bausch Health Cos., Inc.,		
6.125%, 4-15-25 (E) . . . . .	1,727	1,761
Eagle Holding Co. II LLC (7.750% Cash or 7.750% PIK),		
7.750%, 5-15-22 (E)(J) . . . . .	6,101	6,147
Par Pharmaceutical, Inc.,		
7.500%, 4-1-27 (E) . . . . .	3,609	3,546
Valeant Pharmaceuticals International, Inc.:		
5.500%, 11-1-25 (E) . . . . .	1,252	1,305
9.000%, 12-15-25 (E) . . . . .	855	955
9.250%, 4-1-26 (E) . . . . .	2,515	2,814
8.500%, 1-31-27 (E) . . . . .	3,270	3,596
		<u>20,541</u>
<b>Total Health Care – 6.6%</b>		<b>59,600</b>
Industrials		
Aerospace & Defense – 2.6%		
TransDigm UK Holdings plc,		
6.875%, 5-15-26 . . . . .	2,171	2,197
TransDigm, Inc. (GTD by TransDigm Group, Inc.):		
6.000%, 7-15-22 . . . . .	5,075	5,126
6.500%, 7-15-24 . . . . .	6,077	6,153

## CORPORATE DEBT SECURITIES (Continued)

	Principal	Value
Aerospace & Defense (Continued)		
6.500%, 5-15-25 . . . . .	\$ 1,162	\$ 1,175
6.250%, 3-15-26 (E) . . . . .	3,744	3,917
6.375%, 6-15-26 . . . . .	2,490	2,521
7.500%, 3-15-27 (E) . . . . .	2,673	2,790
		<u>23,879</u>
Air Freight & Logistics – 1.0%		
XPO Logistics, Inc.,		
6.750%, 8-15-24 (E) . . . . .	8,095	8,632
Diversified Support Services – 0.4%		
Ahern Rentals, Inc.,		
7.375%, 5-15-23 (E) . . . . .	3,901	3,462
United Rentals (North America), Inc. (GTD by United Rentals, Inc.),		
5.875%, 9-15-26 . . . . .	472	503
		<u>3,965</u>
Environmental & Facilities Services – 1.2%		
GFL Environmental, Inc.:		
5.625%, 5-1-22 (E) . . . . .	820	826
5.375%, 3-1-23 (E) . . . . .	4,399	4,355
7.000%, 6-1-26 (E) . . . . .	3,835	3,926
8.500%, 5-1-27 (E) . . . . .	952	1,025
Waste Pro USA, Inc.,		
5.500%, 2-15-26 (E) . . . . .	482	493
		<u>10,625</u>
Industrial Machinery – 0.1%		
Apex Tool Group LLC and BC Mountain Finance, Inc.,		
9.000%, 2-15-23 (E) . . . . .	700	625
Security & Alarm Services – 0.8%		
Prime Security Services Borrower LLC and Prime Finance, Inc.,		
9.250%, 5-15-23 (E) . . . . .	6,620	6,952
<b>Total Industrials – 6.1%</b>		<b>54,678</b>
Information Technology		
Application Software – 1.3%		
Kronos Acquisition Holdings, Inc.,		
9.000%, 8-15-23 (E) . . . . .	13,902	12,222
Data Processing & Outsourced Services – 1.6%		
Italics Merger Sub, Inc.,		
7.125%, 7-15-23 (E) . . . . .	12,951	13,180
j2 Cloud Services LLC and j2 Global, Inc.,		
6.000%, 7-15-25 (E) . . . . .	1,192	1,249
		<u>14,429</u>
IT Consulting & Other Services – 1.5%		
Cardtronics, Inc. and Cardtronics USA, Inc.,		
5.500%, 5-1-25 (E) . . . . .	687	683

# SCHEDULE OF INVESTMENTS

HIGH INCOME (in thousands)

JUNE 30, 2019 (UNAUDITED)

CORPORATE DEBT SECURITIES (Continued)	Principal	Value	LOANS (N)	Principal	Value	LOANS (N) (Continued)	Principal	Value
IT Consulting & Other Services (Continued)			Communication Services			Restaurants – 0.2%		
NCR Escrow Corp.:			Advertising – 0.3%			NPC International, Inc. (ICE LIBOR plus 750 bps),		
5.875%, 12-15-21 . . . . .	\$ 4,719	\$ 4,780	Advantage Sales & Marketing, Inc. (ICE LIBOR plus 325 bps),			9.939%, 4-18-25 . . . . .	\$3,326	\$ 1,971
6.375%, 12-15-23 . . . . .	4,266	4,400	5.580%, 7-25-21 . . . . .	\$ 794	\$ 722	Specialized Consumer Services – 0.2%		
Pioneer Holding Corp.,			Advantage Sales & Marketing, Inc. (ICE LIBOR plus 650 bps),			Asurion LLC (ICE LIBOR plus 600 bps),		
9.000%, 11-1-22 (E) . . . . .	3,739	3,842	8.830%, 7-25-22 . . . . .	2,751	2,161	8.902%, 8-4-25 . . . . .	1,861	1,885
		<u>13,705</u>			<u>2,883</u>	Specialty Stores – 1.3%		
<b>Total Information Technology – 4.4%</b>		<b>40,356</b>	Cable & Satellite – 0.0%			Jo-Ann Stores, Inc. (ICE LIBOR plus 500 bps),		
Materials			Liberty Cablevision of Puerto Rico LLC (ICE LIBOR plus 350 bps),			7.592%, 10-16-23 . . . . .	2,595	2,327
Aluminum – 1.4%			5.894%, 1-7-22 (C) . . . . .	96	96	Jo-Ann Stores, Inc. (ICE LIBOR plus 925 bps),		
Constellium N.V.:			Integrated Telecommunication Services – 0.9%			11.842%, 5-21-24 . . . . .	3,971	3,474
5.750%, 5-15-24 (E) . . . . .	3,551	3,631	West Corp.,			Staples, Inc. (ICE LIBOR plus 500 bps),		
6.625%, 3-1-25 (E) . . . . .	4,140	4,295	0.000%, 10-10-24 (O) . . . . .	1,372	1,279	7.601%, 7-12-26 . . . . .	6,091	5,839
5.875%, 2-15-26 (E) . . . . .	2,322	2,386	West Corp. (3-Month ICE LIBOR plus 400 bps),					<u>11,640</u>
Novelis Corp. (GTD by Novelis, Inc.):			6.522%, 10-10-24 . . . . .	8,255	7,691	Textiles – 0.5%		
6.250%, 8-15-24 (E) . . . . .	1,471	1,542			<u>8,970</u>	SIWF Holdings, Inc.,		
5.875%, 9-30-26 (E) . . . . .	985	998	Publishing – 0.1%			0.000%, 6-15-25 (C)(O) . . . . .	411	407
		<u>12,852</u>	Recorded Books, Inc. (ICE LIBOR plus 450 bps),			SIWF Holdings, Inc. (ICE LIBOR plus 425 bps),		
Commodity Chemicals – 0.5%			6.830%, 8-31-25 . . . . .	1,135	1,136	6.654%, 6-15-25 (C) . . . . .	3,830	3,792
NOVA Chemicals Corp.:			Wireless Telecommunication Service – 0.1%					<u>4,199</u>
4.875%, 6-1-24 (E) . . . . .	2,943	3,046	Digicel International Finance Ltd. (ICE LIBOR plus 325 bps),			<b>Total Consumer Discretionary – 3.7%</b>		<b>33,495</b>
5.250%, 6-1-27 (E) . . . . .	1,177	1,252	5.780%, 5-27-24 . . . . .	915	791	Consumer Staples		
		<u>4,298</u>			<u>13,876</u>	Hypermarkets & Super Centers – 0.2%		
Construction Materials – 0.6%			<b>Total Communication Services – 1.4%</b>			GOBP Holdings, Inc. (ICE LIBOR plus 375 bps),		
Hillman Group, Inc. (The),			Consumer Discretionary			6.135%, 10-22-25 . . . . .	1,383	1,381
6.375%, 7-15-22 (E) . . . . .	6,615	5,871	Apparel Retail – 0.7%			<b>Total Consumer Staples – 0.2%</b>		<b>1,381</b>
Fertilizers & Agricultural Chemicals – 0.2%			Talbots, Inc. (The) (ICE LIBOR plus 700 bps),			Energy		
Pinnacle Operating Corp.,			9.439%, 11-28-22 (C) . . . . .	5,283	5,099	Coal & Consumable Fuels – 0.9%		
9.000%, 5-15-23 (E) . . . . .	6,601	2,178	TRLG Intermediate Holdings LLC,			Foresight Energy LLC (ICE LIBOR plus 725 bps),		
Metal & Glass Containers – 0.4%			10.000%, 10-27-22 (C) . . . . .	1,529	1,437	8.272%, 3-28-22 . . . . .	6,950	5,641
ARD Finance S.A. (7.125% Cash or 7.875% PIK),			Department Stores – 0.2%			Westmoreland Coal Co. (ICE LIBOR plus 650 bps),		
7.125%, 9-15-23 (J) . . . . .	548	560	Belk, Inc. (ICE LIBOR plus 475 bps),			10.660%, 3-15-22 (C) . . . . .	728	728
ARD Securities Finance S.a.r.l. (8.750% Cash or 8.750% PIK),			7.285%, 12-10-22 . . . . .	2,270	1,827	Westmoreland Mining Holdings LLC (15.000% Cash or 15.000% PIK),		
8.750%, 1-31-23 (E)(H)(J) . . . . .	1,583	1,595	Housewares & Specialties – 0.3%			15.000%, 3-15-29 (C)(J) . . . . .	1,733	1,404
HudBay Minerals, Inc.:			KIK Custom Products, Inc. (ICE LIBOR plus 400 bps),					<u>7,773</u>
7.250%, 1-15-23 (E) . . . . .	408	420	6.402%, 5-15-23 . . . . .	2,573	2,419	Oil & Gas Equipment & Services – 0.1%		
7.625%, 1-15-25 (E) . . . . .	611	631	Leisure Facilities – 0.3%			Larchmont Resources LLC (9.460% Cash or 9.460% PIK),		
		<u>3,206</u>	United PF Holdings LLC,			9.460%, 8-7-20 (C)(F)(J) . . . . .	757	705
Specialty Chemicals – 0.3%			0.000%, 6-14-26 (O) . . . . .	364	363	Oil & Gas Exploration & Production – 0.5%		
Kraton Polymers LLC and Kraton Polymers Capital Corp.,			United PF Holdings LLC (ICE LIBOR plus 450 bps),			California Resources Corp. (ICE LIBOR plus 1,037.50 bps),		
7.000%, 4-15-25 (E) . . . . .	2,657	2,690	6.901%, 6-10-26 . . . . .	2,658	2,655	12.777%, 12-31-21 . . . . .	2,885	2,922
<b>Total Materials – 3.4%</b>		<b>31,095</b>			<u>3,018</u>			
<b>TOTAL CORPORATE DEBT SECURITIES – 66.4%</b>		<b>\$599,096</b>						
(Cost: \$626,630)								

# SCHEDULE OF INVESTMENTS

HIGH INCOME *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

LOANS (N) (Continued)	Principal	Value	LOANS (N) (Continued)	Principal	Value	LOANS (N) (Continued)	Principal	Value
Oil & Gas Exploration & Production (Continued)			Health Care Facilities – 1.7%			Industrial Machinery – 1.4%		
California Resources Corp. (ICE LIBOR plus 475 bps),			Gentiva Health Services, Inc. (3-Month ICE LIBOR plus 375 bps),			Dynacast International LLC (ICE LIBOR plus 850 bps),		
7.152%, 12-31-22	\$ 1,928	\$ 1,840	6.188%, 7-2-25	\$ 7,360	\$ 7,360	10.830%, 1-30-23	\$ 13,354	\$ 13,086
		<u>4,762</u>	Gentiva Health Services, Inc. (ICE LIBOR plus 700 bps),					
			11.500%, 7-2-26	1,897	1,916	<b>Total Industrials – 3.2%</b>		<b>29,316</b>
Oil & Gas Storage & Transportation – 1.2%			RegionalCare Hospital Partners Holdings, Inc. (ICE LIBOR plus 450 bps),			Information Technology		
Bowie Resources Holdings LLC (ICE LIBOR plus 1,075 bps),			6.904%, 11-16-25	6,422	6,379	Application Software – 0.3%		
13.272%, 2-16-21	1,911	1,795			<u>15,655</u>	Applied Systems, Inc. (ICE LIBOR plus 700 bps),		
Bowie Resources Holdings LLC (ICE LIBOR plus 575 bps),			Health Care Services – 1.6%			9.330%, 9-19-25	1,954	1,971
8.272%, 8-12-20	3,037	2,976	Heartland Dental LLC,			Kronos Acquisition Holdings, Inc. (ICE LIBOR plus 700 bps),		
EPIC Crude Services L.P. (ICE LIBOR plus 500 bps),			0.000%, 4-30-25 (O)	90	85	9.402%, 5-15-23 (C)	534	528
7.410%, 3-1-26	6,000	5,893	Heartland Dental LLC (ICE LIBOR plus 375 bps),					<u>2,499</u>
Lower Cadence Holdings LLC (ICE LIBOR plus 400 bps),			6.152%, 4-30-25	4,007	3,789	Communications Equipment – 0.4%		
6.404%, 5-8-26	684	680	U.S. Renal Care, Inc.,			MLN U.S. Holdco LLC (ICE LIBOR plus 450 bps),		
		<u>11,344</u>	0.000%, 6-14-26 (O)	10,991	10,773	6.939%, 11-30-25	1,895	1,806
<b>Total Energy – 2.7%</b>		<b>24,584</b>			<u>14,647</u>	MLN U.S. Holdco LLC (ICE LIBOR plus 875 bps),		
Financials			Health Care Technology – 1.0%			11.189%, 11-30-26	1,796	1,572
Asset Management & Custody Banks – 0.4%			Verscend Holding Corp. (ICE LIBOR plus 450 bps),					<u>3,378</u>
Edelman Financial Holdings II, Inc. (ICE LIBOR plus 675 bps),			6.902%, 8-27-25	8,962	8,957	Data Processing & Outsourced Services – 0.6%		
9.144%, 7-20-26	4,048	4,058	Pharmaceuticals – 0.1%			Colorado Buyer, Inc. (ICE LIBOR plus 300 bps),		
Financial Exchanges & Data – 0.4%			Concordia International Corp. (ICE LIBOR plus 550 bps),			9.670%, 5-1-25	2,171	1,876
Hudson River Trading LLC (3-Month U.S. LIBOR plus 350 bps),			7.911%, 9-6-24	1,170	1,122	Great Dane Merger Sub, Inc. (ICE LIBOR plus 375 bps),		
5.830%, 4-3-25	3,367	3,361	<b>Total Health Care – 4.5%</b>		<b>40,953</b>	6.152%, 5-21-25 (C)	3,161	3,114
Insurance Brokers – 0.3%			Industrials					<u>4,990</u>
NFP Corp. (ICE LIBOR plus 300 bps),			Building Products – 0.1%			<b>Total Information Technology – 1.3%</b>		<b>10,867</b>
5.402%, 1-8-24	2,512	2,439	Hampton Rubber Co. & SEI Holding Corp. (ICE LIBOR plus 800 bps),			Materials		
Investment Banking & Brokerage – 0.6%			10.402%, 3-27-22 (C)	1,074	1,052	Construction Materials – 0.5%		
Jane Street Group LLC (ICE LIBOR plus 300 bps),			Construction & Engineering – 1.0%			Hillman Group, Inc. (The) (ICE LIBOR plus 350 bps),		
5.402%, 8-25-22	5,046	5,010	McDermott Technology (Americas), Inc. (ICE LIBOR plus 500 bps),			6.402%, 5-31-25	4,320	4,152
Property & Casualty Insurance – 0.9%			7.402%, 5-10-25	8,449	8,303	<b>Total Materials – 0.5%</b>		<b>4,152</b>
Amynta Agency Borrower, Inc. (ICE LIBOR plus 400 bps),			Tensar International Corp. (ICE LIBOR plus 850 bps),			<b>TOTAL LOANS – 20.4%</b>		<b>\$184,395</b>
6.902%, 2-28-25	8,415	8,152	10.830%, 7-10-22 (C)	1,119	996	(Cost: \$193,247)		
Specialized Finance – 0.3%					<u>9,299</u>	<b>SHORT-TERM SECURITIES</b>		
Mayfield Agency Borrower, Inc. (ICE LIBOR plus 850 bps),			Industrial Conglomerates – 0.7%			Commercial Paper (P) – 7.0%		
10.902%, 2-28-26	2,807	2,751	PAE Holding Corp. (ICE LIBOR plus 550 bps),			Diageo Capital plc (GTD by Diageo plc),		
		<u>25,771</u>	7.902%, 10-20-22 (C)	5,040	5,097	3.010%, 7-10-19	5,000	4,996
<b>Total Financials – 2.9%</b>			PAE Holding Corp. (ICE LIBOR plus 950 bps),			International Paper Co.,		
Health Care			11.830%, 10-20-23	798	782	2.575%, 7-9-19	5,000	4,996
Health Care Equipment – 0.1%					<u>5,879</u>	McCormick & Co., Inc.,		
LifeScan Global Corp. (3-Month ICE LIBOR plus 950 bps),			Industrial Conglomerates – 0.7%			3.100%, 7-11-19	4,000	3,996
12.160%, 10-1-25 (C)	632	572	PAE Holding Corp. (ICE LIBOR plus 950 bps),			Mondelez International, Inc.:		
			11.830%, 10-20-23	798	782	2.565%, 7-2-19	9,000	8,998

# SCHEDULE OF INVESTMENTS

HIGH INCOME *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

SHORT-TERM SECURITIES (Continued)			SHORT-TERM SECURITIES (Continued)		
	Principal	Value	Shares	Value	
Commercial Paper (P) (Continued)			Money Market Funds – 0.3%		
2.840%, 7-16-19	\$ 3,000	\$ 2,996	Dreyfus Institutional Preferred		
2.810%, 7-18-19	4,000	3,994	Government Money Market		
2.720%, 7-29-19	10,000	9,978	Fund – Institutional Shares,		
Prudential Funding LLC (GTD by Prudential Financial, Inc.),			2,597	\$ 2,597	
2.350%, 7-1-19	6,806	6,805	<b>TOTAL SHORT-TERM SECURITIES – 8.1%</b>		
Virginia Electric and Power Co.:			<b>\$ 73,201</b>		
3.150%, 7-10-19	4,000	3,997	(Cost: \$73,215)		
2.940%, 7-17-19	5,000	4,993	<b>TOTAL INVESTMENT SECURITIES – 100.3%</b>		
2.870%, 7-22-19	8,000	7,986	<b>\$906,584</b>		
		63,735	(Cost: \$942,798)		
Master Note – 0.8%			<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps),			<b>ASSETS – (0.3)%</b>		
2.620%, 7-5-19 (Q)	6,869	6,869	<b>(2,719)</b>		
			<b>NET ASSETS – 100.0%</b>		
			<b>\$903,865</b>		

## 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) Restricted securities. At June 30, 2019, the Portfolio owned the following restricted securities:

Security	Acquisition Date(s)	Shares	Cost	Market Value
BIS Industries Ltd.	12-22-17	1,605	\$ 151	\$ 97
Larchmont Resources LLC	12-8-16	1	340	252
New Cotai Participation Corp., Class B	4-12-13	—*	62	—
Sabine Oil & Gas Corp.	12-7-16	—*	12	7
Pinnacle Agriculture Enterprises LLC	3-10-17	4,583	2,083	359
Targa Resources Corp., 9.500%	10-24-17	8	8,416	8,166
Sabine Oil & Gas Corp., expires 12-29-29	12-7-16	1	7	4
			<b>\$11,071</b>	<b>\$8,885</b>

The total value of these securities represented 1.0% of net assets at June 30, 2019.

(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 June 30, 2019 the total value of these securities amounted to \$509,657 or 56.4% of net assets.

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

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

(H) All or a portion of securities with an aggregate value of \$4,642 are on loan.

(I) Principal amounts are denominated in the indicated foreign currency, where applicable (EUR – Euro).

(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) 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 June 30, 2019.

(L) Zero coupon bond.

(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 June 30, 2019. Description of the reference rate and spread, if applicable, are included in the security description.

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

(P) Rate shown is the yield to maturity at June 30, 2019.

# SCHEDULE OF INVESTMENTS

HIGH INCOME *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

(Q) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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.

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

(S) Rate shown is the annualized 7-day yield at June 30, 2019.

The following forward foreign currency contracts were outstanding at June 30, 2019:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
Euro	631	U.S. Dollar	715	7-5-19	Morgan Stanley International	\$—	\$3

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
<b>Investments in Securities</b>			
Common Stocks			
Communication Services	\$ 407	\$ 278	\$ —
Consumer Discretionary	13,755	—	—*
Energy	300	7	667
Health Care	570	—	—
Industrials	—	—	97
Total Common Stocks	\$ 15,032	\$ 285	\$ 764
Investment Funds	25,282	—	—
Preferred Stocks	—	8,166	359
Warrants	—	4	—
Corporate Debt Securities	—	599,096	—*
Loans	—	159,368	25,027
Short-Term Securities	2,597	70,604	—
Total	\$ 42,911	\$ 837,523	\$ 26,150
<b>Liabilities</b>			
Forward Foreign Currency Contracts	\$ —	\$ 3	\$ —

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	Loans
Beginning Balance 1-1-19	\$ 4,144	\$ 410	\$ 50,874
Net realized gain (loss)	434	—	20
Net change in unrealized appreciation (depreciation)	(169)	(51)	(2,931)
Purchases	—*	—	4,541
Sales	(3,645)	—	(3,865)
Amortization/Accretion of premium/discount	—	—	(65)
Transfers into Level 3 during the period	—	—	7,934
Transfers out of Level 3 during the period	—	—	(31,481)
Ending Balance 6-30-19	\$ 764	\$ 359	\$ 25,027
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 6-30-19	\$ 264	\$ (51)	\$ (2,166)

Information about Level 3 fair value measurements:

	Fair Value at 6-30-19	Valuation Technique(s)	Unobservable Input(s)	Input value(s)
<b>Assets</b>				
Common Stocks	\$ —*	Net asset approach	Adjusted book value multiple	0x
	97	Market comparable approach	Adjusted EBITDA multiple	6.00x
	667	Third-party valuation service	Broker quote	N/A
Preferred Stocks	359	Market comparable approach	Adjusted EBITDA multiple	9.69x
		Option pricing model	Illiquidity discount	10%
			Volatility	9.88%
Loans	25,027	Third-party valuation service	Broker quotes	N/A

JUNE 30, 2019 (UNAUDITED)

Significant increases (decreases) in the adjusted EBITDA multiple inputs as of the reporting date would result in a higher (lower) fair value measurement. However, significant increases (decreases) in the illiquidity discount input as of the reporting date would result in a lower (higher) fair value measurement.

The following acronyms are used throughout this schedule:

GTD = Guaranteed

ICE = Intercontinental Exchange

PIK = Payment In Kind

LIBOR = London Interbank Offered Rate

ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

**Asset Allocation**

<b>Stocks</b>	<b>92.0%</b>
Consumer Discretionary	13.7%
Industrials	12.2%
Financials	11.9%
Health Care	11.2%
Consumer Staples	10.9%
Energy	10.8%
Materials	6.6%
Information Technology	6.4%
Communication Services	6.1%
Utilities	1.2%
Real Estate	1.0%
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>8.0%</b>

**Country Weightings**

<b>Europe</b>	<b>60.4%</b>
United Kingdom	12.6%
Germany	12.6%
Switzerland	11.3%
France	10.0%
Netherlands	3.6%
Other Europe	10.3%
<b>Pacific Basin</b>	<b>24.8%</b>
Japan	10.9%
China	6.8%
Other Pacific Basin	7.1%
<b>North America</b>	<b>5.7%</b>
Canada	3.7%
Other North America	2.0%
<b>Other</b>	<b>1.1%</b>
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>8.0%</b>

**Top 10 Equity Holdings**

Company	Country	Sector	Industry
Nestle S.A., Registered Shares	Switzerland	Consumer Staples	Packaged Foods & Meats
Total S.A.	France	Energy	Integrated Oil & Gas
SAP AG	Germany	Information Technology	Application Software
Roche Holdings AG, Genusscheine	Switzerland	Health Care	Pharmaceuticals
Airbus SE	France	Industrials	Aerospace & Defense
Unilever plc	United Kingdom	Consumer Staples	Personal Products
Tokio Marine Holdings, Inc.	Japan	Financials	Property & Casualty Insurance
Alibaba Group Holding Ltd. ADR	China	Consumer Discretionary	Internet & Direct Marketing Retail
Orange S.A.	France	Communication Services	Integrated Telecommunication Services
Ferguson plc	Switzerland	Industrials	Trading Companies & Distributors

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.



# SCHEDULE OF INVESTMENTS

# INTERNATIONAL CORE EQUITY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
<b>Australia</b>			<b>Energy – 2.8%</b>			<b>Consumer Discretionary – 4.5%</b>		
Materials – 2.7%			Total S.A. ....	359	\$ 20,136	Isuzu Motors Ltd. ....	822	\$ 9,388
BHP Group plc .....	224	\$ 5,723				Sony Corp. ....	55	2,874
BHP Group plc ADR .....	87	4,426	<b>Industrials – 3.8%</b>			Subaru Corp. ....	504	12,278
Newcrest Mining Ltd. ....	401	9,009	Airbus SE .....	124	17,563	Zozo, Inc. ....	433	8,128
		<u>19,158</u>	Schneider Electric S.A. ....	107	9,643			<u>32,668</u>
<b>Total Australia – 2.7%</b>		<b>\$ 19,158</b>			<u>27,206</u>	<b>Consumer Staples – 1.2%</b>		
<b>Canada</b>			<b>Total France – 10.0%</b>			<b>Seven &amp; i Holdings Co. Ltd. ....</b>		
Consumer Discretionary – 0.6%					<b>\$ 71,268</b>		249	8,447
Dollarama, Inc. ....	111	3,915	<b>Germany</b>			<b>Energy – 1.1%</b>		
		<u>3,915</u>	<b>Consumer Discretionary – 2.4%</b>			<b>Inpex Corp. ....</b>		
Energy – 3.1%			adidas AG .....	32	9,980		845	7,654
Canadian Natural Resources Ltd. ....	306	8,246	Continental AG .....	49	7,150	<b>Financials – 1.8%</b>		
Seven Generations Energy Ltd.,					<u>17,130</u>	<b>Tokio Marine Holdings, Inc. ....</b>		
Class A (A) .....	960	4,706	<b>Financials – 1.0%</b>				263	13,206
Suncor Energy, Inc. ....	300	9,345	Commerzbank AG .....	965	6,927	<b>Industrials – 1.2%</b>		
		<u>22,297</u>			<u>6,927</u>	<b>SMC Corp. ....</b>		
<b>Total Canada – 3.7%</b>		<b>\$ 26,212</b>	<b>Health Care – 4.5%</b>			<b>Information Technology – 0.3%</b>		
<b>China</b>			Bayer AG .....	162	11,258	<b>Tokyo Electron Ltd. ....</b>		
Consumer Discretionary – 3.1%			Fresenius Medical Care				14	2,010
Alibaba Group Holding			AG & Co. KGaA .....	131	10,272	<b>Total Japan – 10.9%</b>		
Ltd. ADR (A)(B) .....	75	12,692	Merck KGaA .....	104	10,853			<b>\$ 78,335</b>
Huayu Automotive Systems Co.					<u>32,383</u>	<b>Luxembourg</b>		
Ltd., A Shares .....	2,989	9,410	<b>Information Technology – 2.5%</b>			<b>Energy – 1.1%</b>		
		<u>22,102</u>	SAP AG .....	135	18,465	<b>Tenaris S.A. ....</b>		
Consumer Staples – 1.3%					<u>18,465</u>	<b>Tenaris S.A. ADR .....</b>		
Wuliangye Yibin Co. Ltd., A Shares ...	540	9,289	<b>Real Estate – 1.0%</b>				279	3,655
		<u>9,289</u>	Deutsche Wohnen AG .....	195	7,156		151	3,973
Financials – 1.4%					<u>7,156</u>			<u>7,628</u>
China Construction Bank Corp. ....	11,688	10,075	<b>Utilities – 1.2%</b>			<b>Total Luxembourg – 1.1%</b>		
		<u>10,075</u>	E.ON AG .....	785	8,517			<b>\$ 7,628</b>
Industrials – 1.0%			<b>Total Germany – 12.6%</b>			<b>Netherlands</b>		
Han's Laser Technology Industry					<b>\$ 90,578</b>	<b>Health Care – 1.1%</b>		
Group Co. Ltd., A Shares .....	1,421	7,135	<b>Hong Kong</b>			<b>Qiagen N.V. (A) .....</b>		
		<u>7,135</u>	<b>Financials – 3.3%</b>				195	7,929
<b>Total China – 6.8%</b>		<b>\$ 48,601</b>	AIA Group Ltd. ....	1,126	12,162	<b>Industrials – 2.5%</b>		
<b>Finland</b>			Hong Kong Exchanges and			<b>Koninklijke Philips Electronics N.V.,</b>		
Information Technology – 1.1%			Clearing Ltd. ....	335	11,830	<b>Ordinary Shares .....</b>		
Nokia Corp., Series A ADR .....	783	3,921			<u>23,992</u>	<b>Randstad Holding N.V. (A) .....</b>		
Nokia OYJ .....	776	3,863	<b>Total Hong Kong – 3.3%</b>				152	8,365
		<u>7,784</u>			<b>\$ 23,992</b>			<u>17,646</u>
<b>Total Finland – 1.1%</b>		<b>\$ 7,784</b>	<b>Ireland</b>			<b>Total Netherlands – 3.6%</b>		
<b>France</b>			<b>Materials – 1.4%</b>			<b>Norway</b>		
Communication Services – 1.8%			CRH plc .....	319	10,417	<b>Communication Services – 1.1%</b>		
Criteo S.A. ADR (A) .....	10	165			<u>10,417</u>	<b>Telenor ASA .....</b>		
Orange S.A. ....	804	12,674	<b>Total Ireland – 1.4%</b>			<b>Financials – 1.6%</b>		
		<u>12,839</u>			<b>\$ 10,417</b>	<b>DNB ASA .....</b>		
Consumer Staples – 1.6%			<b>Italy</b>			<b>Total Norway – 2.7%</b>		
Danone S.A. ....	131	11,087	<b>Financials – 1.4%</b>			<b>South Africa</b>		
		<u>11,087</u>	UniCredit S.p.A. ....	824	10,139	<b>Communication Services – 1.1%</b>		
<b>Total Australia – 2.7%</b>					<u>10,139</u>	<b>Naspers Ltd., Class N .....</b>		
<b>Total Canada – 3.7%</b>			<b>Total Italy – 1.4%</b>				33	7,915
<b>Total China – 6.8%</b>					<b>\$ 10,139</b>	<b>Total South Africa – 1.1%</b>		
<b>Total Finland – 1.1%</b>			<b>Japan</b>					<b>\$ 7,915</b>
<b>Total France – 10.0%</b>			<b>Communication Services – 0.8%</b>					
<b>Total Germany – 12.6%</b>			Nintendo Co. Ltd. ....	15	5,540			

# SCHEDULE OF INVESTMENTS

# INTERNATIONAL CORE EQUITY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS (Continued)			COMMON STOCKS (Continued)			SHORT-TERM SECURITIES (Continued)		
	Shares	Value		Shares	Value		Principal	Value
<b>South Korea</b>			Industrials – 2.0%			United States Government Agency Obligations – 1.4%		
Information Technology – 1.1%			Babcock International Group plc . . .	931	\$ 5,419	Overseas Private Investment Corp.		
Samsung Electronics Co. Ltd. . . . . .	192	\$ 7,828	BAE Systems plc . . . . .	1,518	9,542	(GTD by U.S. Government)		
					14,961	(3-Month U.S. TB Rate):		
<b>Total South Korea – 1.1%</b>		<b>\$ 7,828</b>				2.400%, 7-7-19 (E) . . . . .	\$10,192	\$ 10,192
<b>Spain</b>			Information Technology – 1.4%					10,192
Consumer Discretionary – 1.2%			Amdocs Ltd. . . . .	161	9,996	<b>TOTAL SHORT-TERM SECURITIES – 8.9% \$ 64,515</b>		
Industria de Diseno Textil S.A. . . . . .	296	8,894	<b>Total United Kingdom – 12.6% \$ 92,820</b>			(Cost: \$64,524)		
			United States			<b>TOTAL INVESTMENT SECURITIES – 100.9% \$ 727,347</b>		
<b>Total Spain – 1.2%</b>		<b>\$ 8,894</b>	Consumer Discretionary – 0.7%			(Cost: \$743,461)		
<b>Sweden</b>			Booking Holdings, Inc. (A) . . . . .			<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Financials – 1.4%				3	5,062	<b>ASSETS – (0.9)% (6,582)</b>		
Swedbank AB . . . . .	696	10,475	<b>Total United States – 0.7% \$ 5,062</b>			<b>NET ASSETS – 100.0% \$720,765</b>		
			<b>TOTAL COMMON STOCKS – 90.7% \$653,645</b>					
<b>Total Sweden – 1.4%</b>		<b>\$10,475</b>						
<b>Switzerland</b>			(Cost: \$670,480)					
Consumer Staples – 2.8%			<b>INVESTMENT FUNDS</b>					
Nestle S.A., Registered Shares . . . . .	197	20,384	United States – 1.3%					
			SPDR Gold Trust (A) . . . . .			69	9,187	
<b>Health Care – 5.6%</b>			<b>TOTAL INVESTMENT FUNDS – 1.3% \$ 9,187</b>					
Lonza Group Ltd., Registered			(Cost: \$8,457)					
Shares . . . . .	21	6,921	<b>SHORT-TERM SECURITIES</b>			<b>Principal</b>		
Novartis AG ADR . . . . .	83	7,582	Commercial Paper (D) – 5.4%					
Novartis AG, Registered Shares . . . . .	83	7,623	Diageo Capital plc (GTD by					
Roche Holdings AG, Genusscheine . . . . .	65	18,390	Diageo plc)					
		40,516	3.010%, 7-10-19 . . . . .			\$5,000	4,996	
<b>Industrials – 1.7%</b>			Florida Power & Light Co.					
Ferguson plc . . . . .	173	12,336	3.070%, 7-12-19 . . . . .			5,000	4,995	
			General Mills, Inc.					
<b>Materials – 1.2%</b>			2.860%, 7-15-19 . . . . .			5,000	4,994	
Glencore International plc . . . . .	2,446	8,465	McCormick & Co., Inc.:					
			2.492%, 7-9-19 . . . . .			5,000	4,996	
<b>Total Switzerland – 11.3%</b>		<b>\$ 81,701</b>	3.100%, 7-11-19 . . . . .			7,200	7,193	
<b>United Kingdom</b>			Mondelez International, Inc.:					
Communication Services – 1.3%			2.603%, 7-1-19 . . . . .			5,000	4,999	
BT Group plc . . . . .	3,853	9,635	2.750%, 7-24-19 . . . . .			1,500	1,497	
			Virginia Electric and Power Co.					
Consumer Discretionary – 1.2%			2.940%, 7-17-19 . . . . .			5,000	4,993	
Whitbread plc (C) . . . . .	150	8,837					38,663	
			<b>Master Note – 1.0%</b>					
<b>Consumer Staples – 4.0%</b>			Toyota Motor Credit Corp. (1-Month					
British American Tobacco plc . . . . .	263	9,200	U.S. LIBOR plus 15 bps)					
Imperial Tobacco Group plc . . . . .	296	6,949	2.620%, 7-5-19 (E) . . . . .			7,407	7,407	
Unilever plc . . . . .	215	13,364						
		29,513	<b>Shares</b>					
<b>Energy – 2.7%</b>			Money Market Funds – 1.1%					
BP plc . . . . .	1,219	8,494	Dreyfus Institutional Preferred					
BP plc ADR . . . . .	89	3,732	Government Money Market					
FMC Technologies, Inc. . . . . .	258	6,698	Fund – Institutional Shares					
Technip-Coflexip . . . . .	37	954	2.360%, (F)(G) . . . . .			8,253	8,253	
		19,878						

# SCHEDULE OF INVESTMENTS

# INTERNATIONAL CORE EQUITY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

## Notes to Schedule of Investments

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

(B) All or a portion of securities with an aggregate value of \$881 are held in collateralized accounts for OTC foreign forward currency contracts collateral.

(C) All or a portion of securities with an aggregate value of \$7,855 are on loan.

(D) Rate shown is the yield to maturity at June 30, 2019.

(E) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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) Rate shown is the annualized 7-day yield at June 30, 2019.

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

The following forward foreign currency contracts were outstanding at June 30, 2019:

	Currency to be Delivered		Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation
U.S. Dollar	67,942	Japanese Yen	7,500,633	7-5-19	Deutsche Bank AG	\$1,644	\$—
Chinese Yuan Renminbi Offshore	395,405	U.S. Dollar	57,601	8-15-19	Deutsche Bank AG	60	—
						<u>\$1,704</u>	<u>\$—</u>

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks			
Communication Services	\$ 165	\$ 43,631	\$—
Consumer Discretionary	21,669	76,939	—
Consumer Staples	—	78,720	—
Energy	36,700	40,893	—
Financials	—	86,210	—
Health Care	12,577	68,251	—
Industrials	—	88,094	—
Information Technology	13,917	32,166	—
Materials	4,426	33,614	—
Real Estate	—	7,156	—
Utilities	—	8,517	—
Total Common Stocks	\$ 89,454	\$ 564,191	\$—
Investment Funds	9,187	—	—
Short-Term Securities	8,253	56,262	—
Total	\$106,894	\$620,453	\$—
Forward Foreign Currency Contracts	\$ —	\$ 1,704	\$—

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts  
 GTD = Guaranteed  
 LIBOR = London Interbank Offered Rate  
 OTC = Over The Counter  
 TB = Treasury Bill

## Market Sector Diversification

(as a % of net assets)	
Consumer Discretionary	13.7%
Industrials	12.2%
Financials	11.9%
Health Care	11.2%
Energy	10.9%
Consumer Staples	10.8%
Materials	6.6%

## Market Sector Diversification (Continued)

Information Technology	6.4%
Communication Services	6.1%
Utilities	1.2%
Real Estate	1.0%
Other+	8.0%

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

See Accompanying Notes to Financial Statements.

ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

Stocks	97.3%
Information Technology	25.3%
Consumer Discretionary	20.8%
Industrials	18.0%
Health Care	17.9%
Financials	5.2%
Materials	4.1%
Communication Services	3.6%
Consumer Staples	2.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.7%

## Top 10 Equity Holdings

Company	Sector	Industry
CoStar Group, Inc.	Industrials	Research & Consulting Services
Tractor Supply Co.	Consumer Discretionary	Specialty Stores
Zoetis, Inc.	Health Care	Pharmaceuticals
Chipotle Mexican Grill, Inc., Class A	Consumer Discretionary	Restaurants
Electronic Arts, Inc.	Communication Services	Interactive Home Entertainment
ServiceNow, Inc.	Information Technology	Systems Software
Keysight Technologies, Inc.	Information Technology	Electronic Equipment & Instruments
TransUnion	Industrials	Research & Consulting Services
MarketAxess Holdings, Inc.	Financials	Financial Exchanges & Data
Guidewire Software, Inc.	Information Technology	Application Software

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

MID CAP GROWTH *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
<b>Communication Services</b>			Regional Banks – 2.6%			Trading Companies & Distributors – 1.9%		
Interactive Home Entertainment – 2.7%			First Republic Bank . . . . .	85	\$ 8,340	Fastenal Co. (C) . . . . .	309	\$ 10,080
Electronic Arts, Inc. (A) . . . . .	137	\$ 13,899	SVB Financial Group (A) . . . . .	22	4,994			
					13,334			
Interactive Media & Services – 0.9%			<b>Total Financials – 5.2%</b>		<b>26,858</b>	<b>Total Industrials – 18.0%</b>		
Twitter, Inc. (A) . . . . .	137	4,774				<b>92,877</b>		
			<b>Health Care</b>			Information Technology		
<b>Total Communication Services – 3.6%</b>		<b>18,673</b>	Biotechnology – 1.9%			Application Software – 3.6%		
<b>Consumer Discretionary</b>			BioMarin Pharmaceutical, Inc. (A) . . . . .	56	4,790	DocuSign, Inc. (A) . . . . .	62	3,079
Apparel, Accessories & Luxury Goods – 2.9%			Seattle Genetics, Inc. (A) . . . . .	74	5,135	Guidewire Software, Inc. (A) . . . . .	102	10,314
Burberry Group plc (B) . . . . .	235	5,568			9,925	Tyler Technologies, Inc. (A) . . . . .	25	5,469
lululemon athletica, Inc. (A) . . . . .	52	9,424						18,862
		14,992	Health Care Equipment – 8.0%			Communications Equipment – 1.6%		
			Abiomed, Inc. (A) . . . . .	29	7,673	Arista Networks, Inc. (A) . . . . .	31	8,176
Auto Parts & Equipment – 1.7%			DexCom, Inc. (A) . . . . .	61	9,168			
BorgWarner, Inc. . . . .	206	8,640	Edwards Lifesciences Corp. (A) . . . . .	52	9,664	Data Processing & Outsourced Services – 2.8%		
			Glaukos Corp. (A) . . . . .	87	6,554	Jack Henry & Associates, Inc. . . . .	31	4,108
Automotive Retail – 1.6%			Intuitive Surgical, Inc. (A) . . . . .	16	8,403	Square, Inc., Class A (A) . . . . .	140	10,131
O'Reilly Automotive, Inc. (A) . . . . .	23	8,410			41,462			14,239
			Health Care Services – 1.4%			Electronic Components – 1.7%		
Department Stores – 0.3%			Laboratory Corp. of America			Maxim Integrated Products, Inc. . . . .	144	8,628
Nordstrom, Inc. . . . .	57	1,810	Holdings (A) . . . . .	41	7,018			
			Health Care Supplies – 0.9%			Electronic Equipment & Instruments – 3.2%		
Internet & Direct Marketing Retail – 3.5%			National Vision Holdings, Inc. (A) . . . . .	156	4,800	Coherent, Inc. (A) . . . . .	25	3,388
GrubHub, Inc. (A) . . . . .	107	8,371				Keysight Technologies, Inc. (A) . . . . .	126	11,351
MercadoLibre, Inc. (A) . . . . .	16	9,699	Health Care Technology – 1.8%			Novanta, Inc. (A) . . . . .	20	1,875
		18,070	Cerner Corp. . . . .	126	9,204			16,614
Restaurants – 4.5%			Life Sciences Tools & Services – 1.1%			Internet Services & Infrastructure – 1.4%		
Chipotle Mexican Grill, Inc.,			Agilent Technologies, Inc. . . . .	78	5,855	Twilio, Inc., Class A (A) . . . . .	55	7,455
Class A (A) . . . . .	19	13,934				Semiconductor Equipment – 1.9%		
Dunkin Brands Group, Inc. . . . .	114	9,070	Pharmaceuticals – 2.8%			Teradyne, Inc. . . . .	208	9,975
		23,004	Zoetis, Inc. . . . .	126	14,288			
Specialty Stores – 6.3%			<b>Total Health Care – 17.9%</b>		<b>92,552</b>	Semiconductors – 4.5%		
Tiffany & Co. . . . .	78	7,310	<b>Industrials</b>			Microchip Technology, Inc. (C) . . . . .	101	8,789
Tractor Supply Co. . . . .	137	14,947	Aerospace & Defense – 1.6%			Monolithic Power Systems, Inc. . . . .	57	7,761
Ulta Beauty, Inc. (A) . . . . .	30	10,292	Harris Corp. . . . .	43	8,218	Universal Display Corp. . . . .	36	6,746
		32,549						23,296
<b>Total Consumer Discretionary – 20.8%</b>		<b>107,475</b>	Building Products – 2.6%			Systems Software – 4.6%		
<b>Consumer Staples</b>			A. O. Smith Corp. . . . .	154	7,281	CrowdStrike Holdings, Inc.,		
Food Retail – 1.2%			Trex Co., Inc. (A) . . . . .	82	5,915	Class A (A) . . . . .	4	256
Sprouts Farmers Market, Inc. (A) . . . . .	318	6,001			13,196	Palo Alto Networks, Inc. (A) . . . . .	34	6,885
			Industrial Conglomerates – 1.8%			Proofpoint, Inc. (A) . . . . .	37	4,422
Packaged Foods & Meats – 1.2%			Fortive Corp. . . . .	117	9,539	ServiceNow, Inc. (A) . . . . .	44	12,091
Hershey Foods Corp. . . . .	46	6,108						23,654
			Industrial Machinery – 4.5%			<b>Total Information Technology – 25.3%</b>		
<b>Total Consumer Staples – 2.4%</b>		<b>12,109</b>	Gardner Denver Holdings, Inc. (A) . . . . .	113	3,916	<b>130,899</b>		
<b>Financials</b>			IDEX Corp. . . . .	54	9,379	Materials		
Financial Exchanges & Data – 2.6%			Middleby Corp. (A) . . . . .	72	9,796	Fertilizers & Agricultural Chemicals – 1.2%		
Chicago Board Options					23,091	Scotts Miracle-Gro Co. (The) . . . . .	63	6,194
Exchange, Inc. . . . .	25	2,613	Research & Consulting Services – 5.6%					
MarketAxess Holdings, Inc. . . . .	34	10,911	CoStar Group, Inc. (A) . . . . .	32	17,494			
		13,524	TransUnion . . . . .	153	11,259			
					28,753			

# SCHEDULE OF INVESTMENTS

MID CAP GROWTH *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS (Continued)	Shares	Value	SHORT-TERM SECURITIES	Principal	Value	Value	
Specialty Chemicals – 2.9%			Commercial Paper (D) – 1.0%			<b>TOTAL SHORT-TERM SECURITIES – 1.8%</b>	<b>\$ 9,281</b>
Axalta Coating Systems Ltd. (A) . . . . .	295	\$ 8,782	Prudential Funding LLC (GTD by			(Cost: \$9,282)	
RPM International, Inc. . . . .	102	6,233	Prudential Financial, Inc.),			<b>TOTAL INVESTMENT SECURITIES – 99.1%</b>	<b>\$ 511,933</b>
		15,015	2.350%, 7-1-19 . . . . .	\$5,001	\$5,000	(Cost: \$389,483)	
<b>Total Materials – 4.1%</b>		<b>21,209</b>	Master Note – 0.8%			<b>CASH AND OTHER ASSETS, NET OF</b>	
			Toyota Motor Credit Corp. (1-Month			<b>LIABILITIES – 0.9%</b>	<b>4,655</b>
			U.S. LIBOR plus 15 bps),			<b>NET ASSETS – 100.0%</b>	<b>\$516,588</b>
			2.620%, 7-5-19 (E) . . . . .	4,281	4,281		
<b>TOTAL COMMON STOCKS – 97.3%</b>		<b>\$502,652</b>					
(Cost: \$380,201)							

## Notes to Schedule of Investments

- (A) No dividends were paid during the preceding 12 months.
- (B) Listed on an exchange outside the United States.
- (C) All or a portion of securities with an aggregate value of \$10,297 are on loan.
- (D) Rate shown is the yield to maturity at June 30, 2019.
- (E) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks			
Communication Services . . . . .	\$ 18,673	\$ —	\$—
Consumer Discretionary . . . . .	101,907	5,568	—
Consumer Staples . . . . .	12,109	—	—
Financials . . . . .	26,858	—	—
Health Care . . . . .	92,552	—	—
Industrials . . . . .	92,877	—	—
Information Technology . . . . .	130,899	—	—
Materials . . . . .	21,209	—	—
<b>Total Common Stocks . . . . .</b>	<b>\$497,084</b>	<b>\$ 5,568</b>	<b>\$—</b>
Short-Term Securities . . . . .	—	9,281	—
<b>Total . . . . .</b>	<b>\$497,084</b>	<b>\$14,849</b>	<b>\$—</b>

The following acronyms are used throughout this schedule:

- GTD = Guaranteed
- LIBOR = London Interbank Offered Rate

See Accompanying Notes to Financial Statements.

ALL DATA IS AS OF JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

Stocks	96.6%
Energy	63.5%
Materials	27.0%
Industrials	6.1%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	3.4%

## Country Weightings

North America	75.3%
United States	65.1%
Canada	10.2%
Europe	14.6%
United Kingdom	9.3%
Other Europe	5.3%
Pacific Basin	4.8%
Australia	4.8%
Other Pacific Basin	0.0%
Other	1.9%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	3.4%

## Top 10 Equity Holdings

Company	Country	Sector	Industry
Chevron Corp.	United States	Energy	Integrated Oil & Gas
BHP Group plc	Australia	Materials	Diversified Metals & Mining
Rio Tinto plc	United Kingdom	Materials	Diversified Metals & Mining
Phillips 66	United States	Energy	Oil & Gas Refining & Marketing
EOG Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Halliburton Co.	United States	Energy	Oil & Gas Equipment & Services
Concho Resources, Inc.	United States	Energy	Oil & Gas Exploration & Production
Diamondback Energy, Inc.	United States	Energy	Oil & Gas Exploration & Production
Valero Energy Corp.	United States	Energy	Oil & Gas Refining & Marketing
Marathon Petroleum Corp.	United States	Energy	Oil & Gas Refining & Marketing

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

# NATURAL RESOURCES *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	SHORT-TERM SECURITIES (Continued)	Shares	Value
Australia			Materials – 6.2%			Money Market Funds – 1.5%		
Materials – 4.8%			Croda International plc . . . . .	22	\$ 1,419	Dreyfus Institutional Preferred		
BHP Group plc . . . . .	171	\$ 4,370	Rio Tinto plc . . . . .	68	4,209	Government Money Market Fund		
					5,628	– Institutional Shares		
<b>Total Australia – 4.8%</b>		<b>\$ 4,370</b>	<b>Total United Kingdom – 9.3%</b>		<b>\$ 8,418</b>	2.360%, (E)(F) . . . . .	1,360	\$ 1,360
Canada			United States			<b>TOTAL SHORT-TERM SECURITIES – 4.0%</b>		<b>\$ 3,613</b>
Industrials – 2.9%			Energy – 55.1%			(Cost: \$3,613)		
Canadian Pacific Railway Ltd. . . . .	11	2,693	Cabot Oil & Gas Corp. . . . .	85	1,950	<b>TOTAL INVESTMENT SECURITIES – 100.6%</b>		<b>\$ 90,949</b>
			Centennial Resource Development,			(Cost: \$109,167)		
Materials – 7.3%			Inc., Class A (A) . . . . .	126	955	<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Barrick Gold Corp. . . . .	176	2,777	Chevron Corp. . . . .	44	5,457	<b>ASSETS – (0.6)%</b>		<b>(542)</b>
Nutrien Ltd. . . . .	54	2,866	Cimarex Energy Co. . . . .	30	1,762	<b>NET ASSETS – 100.0%</b>		<b>\$ 90,407</b>
West Fraser Timber Co. Ltd. . . . .	20	894	Concho Resources, Inc. . . . .	36	3,679			
		6,537	Continental Resources, Inc. (A) . . . . .	29	1,200			
<b>Total Canada – 10.2%</b>		<b>\$ 9,230</b>	Diamondback Energy, Inc. . . . .	32	3,503			
France			Enterprise Products Partners L.P. . . . .	89	2,565			
Energy – 2.2%			EOG Resources, Inc. . . . .	44	4,141			
Total S.A. ADR . . . . .	36	1,997	Halliburton Co. . . . .	167	3,787			
			Magellan Midstream Partners L.P. . . . .	33	2,087			
<b>Total France – 2.2%</b>		<b>\$ 1,997</b>	Marathon Petroleum Corp. . . . .	58	3,263			
Hong Kong			Noble Energy, Inc. . . . .	57	1,271			
Materials – 0.0%			Parsley Energy, Inc., Class A (A) . . . . .	86	1,629			
China Metal Recycling (Holdings)			Phillips 66 . . . . .	45	4,163			
Ltd. (A)(B) . . . . .	1,900	—*	RPC, Inc. (C) . . . . .	150	1,079			
			Schlumberger Ltd. . . . .	43	1,695			
<b>Total Hong Kong – 0.0%</b>		<b>\$ —*</b>	Valero Energy Corp. . . . .	40	3,412			
Netherlands			WPX Energy, Inc. (A) . . . . .	188	2,159			
Energy – 1.6%					49,757			
Core Laboratories N.V. (C) . . . . .	29	1,511	Industrials – 3.2%					
			Union Pacific Corp. . . . .	17	2,875			
<b>Total Netherlands – 1.6%</b>		<b>\$ 1,511</b>						
Portugal			Materials – 6.8%					
Energy – 1.5%			Air Products and Chemicals, Inc. . . . .	7	1,528			
Galp Energia SGPS S.A., Class B . . . . .	86	1,321	Dow Chemical Co. (The) (A) . . . . .	14	1,038			
			Ingevity Corp. (A) . . . . .	8	885			
<b>Total Portugal – 1.5%</b>		<b>\$ 1,321</b>	PPG Industries, Inc. . . . .	15	1,792			
South Africa			Sherwin-Williams Co. (The) . . . . .	1	435			
Materials – 1.9%			Southern Copper Corp. . . . .	11	441			
Mondi plc . . . . .	76	1,738			6,119			
			<b>Total United States – 65.1%</b>		<b>\$ 58,751</b>			
<b>Total South Africa – 1.9%</b>		<b>\$ 1,738</b>	<b>TOTAL COMMON STOCKS – 96.6%</b>		<b>\$ 87,336</b>			
United Kingdom			(Cost: \$105,554)					
Energy – 3.1%			<b>SHORT-TERM SECURITIES</b>					
BP plc . . . . .	400	2,790	Principal					
			Master Note – 2.5%					
			Toyota Motor Credit Corp. (1-Month					
			U.S. LIBOR plus 15 bps)					
			2.620%, 7-5-19 (D) . . . . .	\$ 2,253	2,253			



JUNE 30, 2019 (UNAUDITED)

## Notes to Schedule of Investments

\*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 \$2,291 are on loan.

(D) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 June 30, 2019.

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

The following forward foreign currency contracts were outstanding at June 30, 2019:

	Currency to be Delivered	Currency to be Received	Settlement Date	Counterparty	Unrealized Appreciation	Unrealized Depreciation	
Euro	2,717	U.S. Dollar	3,086	7-5-19	Morgan Stanley International	\$ —	\$ 3
British Pound	11,290	U.S. Dollar	14,809	7-5-19	UBS AG	468	—
Canadian Dollar	1,189	U.S. Dollar	889	7-5-19	UBS AG	—	19
						<u>\$468</u>	<u>\$22</u>

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks			
Energy	\$53,265	\$ 4,111	\$—
Industrials	5,568	—	—
Materials	12,656	11,736	—*
Total Common Stocks	\$ 71,489	\$15,847	\$—*
Short-Term Securities	1,360	2,253	—
Total	\$72,849	\$18,100	\$—*
Forward Foreign Currency Contracts	\$ —	\$ 468	\$—
<b>Liabilities</b>			
Forward Foreign Currency Contracts	\$ —	\$ 22	\$—

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)

Energy	63.5%
Materials	27.0%
Industrials	6.1%
Other+	3.4%

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

See Accompanying Notes to Financial Statements.

ALL DATA AS OF JUNE 30, 2019 (UNAUDITED)

**Asset Allocation**

<b>Stocks</b>	<b>95.6%</b>
Information Technology	58.7%
Health Care	15.1%
Communication Services	13.9%
Consumer Discretionary	5.8%
Real Estate	1.3%
Industrials	0.5%
Materials	0.3%
<b>Warrants</b>	<b>0.0%</b>
<b>Bonds</b>	<b>0.1%</b>
Corporate Debt Securities	0.1%
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>4.3%</b>

**Country Weightings**

<b>North America</b>	<b>81.3%</b>
United States	81.3%
<b>Pacific Basin</b>	<b>9.7%</b>
India	5.1%
China	4.4%
Other Pacific Basin	0.2%
<b>Europe</b>	<b>4.6%</b>
<b>Other</b>	<b>0.1%</b>
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>4.3%</b>

**Top 10 Equity Holdings**

Company	Country	Sector	Industry
Microsoft Corp.	United States	Information Technology	Systems Software
Euronet Worldwide, Inc.	United States	Information Technology	Data Processing & Outsourced Services
Aspen Technology, Inc.	United States	Information Technology	Application Software
WNS (Holdings) Ltd. ADR	India	Information Technology	Data Processing & Outsourced Services
Universal Display Corp.	United States	Information Technology	Semiconductors
Vertex Pharmaceuticals, Inc.	United States	Health Care	Biotechnology
Apple, Inc.	United States	Information Technology	Technology Hardware, Storage & Peripherals
ACI Worldwide, Inc.	United States	Information Technology	Application Software
Alibaba Group Holding Ltd. ADR	China	Consumer Discretionary	Internet & Direct Marketing Retail
Cerner Corp.	United States	Health Care	Health Care Technology

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

# SCIENCE AND TECHNOLOGY *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	CORPORATE DEBT SECURITIES	Principal	Value
<b>Communication Services</b>			<b>Data Processing &amp; Outsourced Services – 12.5%</b>			<b>Materials</b>		
Interactive Home Entertainment – 2.2%			Euronet Worldwide, Inc. (A) . . . . .	204	\$ 34,292	Fertilizers & Agricultural Chemicals – 0.1%		
Electronic Arts, Inc. (A) . . . . .	57	\$ 5,812	Fiserv, Inc. (A)(B) . . . . .	62	5,661	Marrone Bio Innovations, Inc.,		
Take-Two Interactive Software, Inc. (A) . . . . .	55	6,188	WNS (Holdings) Ltd. ADR (A) . . . . .	469	27,735	8.000%, 8-20-20 (D) . . . . .	\$ 288	\$ 290
		<u>12,000</u>			<u>67,688</u>	<b>Total Materials – 0.1%</b>		<b>290</b>
Interactive Media & Services – 9.0%			Electronic Equipment & Instruments – 0.3%					
Alphabet, Inc., Class A (A) . . . . .	11	12,236	Keysight Technologies, Inc. (A) . . . . .	17	1,491			
Alphabet, Inc., Class C (A) . . . . .	15	16,142	Internet Services & Infrastructure – 0.5%			<b>TOTAL CORPORATE DEBT SECURITIES – 0.1%</b>		<b>\$ 290</b>
Facebook, Inc., Class A (A) . . . . .	105	20,226	Baidu.com, Inc. ADR (A) . . . . .	23	2,711	(Cost: \$288)		
		<u>48,604</u>	Semiconductor Equipment – 2.3%			<b>SHORT-TERM SECURITIES</b>		
Movies & Entertainment – 2.7%			ASML Holding N.V., NY Registry			Commercial Paper (F) – 1.5%		
Netflix, Inc. (A) . . . . .	21	7,751	Shares . . . . .	59	12,247	McCormick & Co., Inc.,		
Walt Disney Co. (The) . . . . .	46	6,451				3.100%, 7-11-19 . . . . .	3,000	2,997
		<u>14,202</u>	Semiconductors – 18.4%			Northern Illinois Gas Co.,		
<b>Total Communication Services – 13.9%</b>		<b>74,806</b>	Cypress Semiconductor Corp. . . . .	505	11,236	2.451%, 7-2-19 . . . . .	5,000	4,999
<b>Consumer Discretionary</b>			Infineon Technologies AG (C) . . . . .	545	9,683			<u>7,996</u>
Internet & Direct Marketing Retail – 5.8%			Microchip Technology, Inc. (B) . . . . .	83	7,205	Master Note – 1.2%		
Alibaba Group Holding Ltd. ADR (A) . . . . .	124	20,944	Micron Technology, Inc. (A) . . . . .	452	17,442	Toyota Motor Credit Corp. (1-Month		
Amazon.com, Inc. (A) . . . . .	6	10,604	QUALCOMM, Inc. . . . .	204	15,495	U.S. LIBOR plus 15 bps),		
		<u>31,548</u>	Semtech Corp. (A) . . . . .	198	9,495	2.620%, 7-5-19 (G) . . . . .	6,513	6,513
<b>Total Consumer Discretionary – 5.8%</b>		<b>31,548</b>	Taiwan Semiconductor					
<b>Health Care</b>			Manufacturing Co. Ltd. ADR . . . . .	31	1,207			
Biotechnology – 10.3%			Universal Display Corp. . . . .	145	27,287			
CRISPR Therapeutics AG (A)(B) . . . . .	61	2,859			<u>99,050</u>			
Evogene Ltd. (A) . . . . .	137	208	Systems Software – 10.1%					
Ionis Pharmaceuticals, Inc. (A) . . . . .	201	12,937	Microsoft Corp. . . . .	408	54,656	Money Market Funds – 1.2%		
Moderna, Inc. (A)(B) . . . . .	107	1,572	Technology Hardware, Storage & Peripherals – 4.7%			Dreyfus Institutional Preferred		
Sage Therapeutics, Inc. (A)(B) . . . . .	23	4,193	Apple, Inc. . . . .	128	25,373	Government Money Market		
Sarepta Therapeutics, Inc. (A) . . . . .	51	7,719	<b>Total Information Technology – 58.7%</b>		<b>316,503</b>	Fund - Institutional Shares,		
Vertex Pharmaceuticals, Inc. (A) . . . . .	141	25,930	Materials			2.360%, (H)(I) . . . . .	6,572	6,572
		<u>55,418</u>	Fertilizers & Agricultural Chemicals – 0.3%					
Health Care Services – 0.5%			Marrone Bio Innovations, Inc. (A) . . . . .	1,116	1,674			
Teladoc Health, Inc. (A)(B) . . . . .	44	2,929	<b>Total Materials – 0.3%</b>		<b>1,674</b>			
Health Care Technology – 3.8%			Real Estate					
Cerner Corp. . . . .	277	20,333	Specialized REITs – 1.3%			United States Government Agency Obligations – 0.7%		
Pharmaceuticals – 0.5%			QTS Realty Trust, Inc., Class A . . . . .	156	7,190	Overseas Private Investment Corp.		
Elanco Animal Health, Inc. (A) . . . . .	81	2,745	<b>Total Real Estate – 1.3%</b>		<b>7,190</b>	(GTD by U.S. Government)		
<b>Total Health Care – 15.1%</b>		<b>81,425</b>	<b>TOTAL COMMON STOCKS – 95.6%</b>		<b>\$ 516,012</b>	(3-Month U.S. TB Rate):		
<b>Industrials</b>			(Cost: \$272,570)			2.400%, 7-7-19 (G) . . . . .	\$ 3,835	3,835
Trucking – 0.5%			<b>WARRANTS</b>					<u>3,835</u>
Lyft, Inc., Class A (A)(B) . . . . .	44	2,866	Fertilizers & Agricultural Chemicals – 0.0%			<b>TOTAL SHORT-TERM SECURITIES – 4.6%</b>		<b>\$ 24,916</b>
<b>Total Industrials – 0.5%</b>		<b>2,866</b>	Marrone Bio Innovations, Inc.,			(Cost: \$24,918)		
<b>Information Technology</b>			expires 12-31-20 (D)(E) . . . . .	230	57	<b>TOTAL INVESTMENT SECURITIES – 100.3%</b>		<b>\$ 541,275</b>
Application Software – 9.9%			Marrone Bio Innovations, Inc.,			(Cost: \$297,776)		
ACI Worldwide, Inc. (A) . . . . .	705	24,193	expires 8-20-23 (D)(E) . . . . .	230	—	<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Aspen Technology, Inc. (A) . . . . .	234	29,094				ASSETS – (0.3%)		(1,887)
		<u>53,287</u>	<b>TOTAL WARRANTS – 0.0%</b>		<b>\$ 57</b>	<b>NET ASSETS – 100.0%</b>		<b>\$539,388</b>
			(Cost: \$—)					

JUNE 30, 2019 (UNAUDITED)

## 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 \$18,736 are on loan.

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

(D) Restricted securities. At June 30, 2019, the Portfolio owned the following restricted securities:

Security	Acquisition Date(s)	Principal	Cost	Market Value
Marrone Bio Innovations, Inc., 8.000%, 08-20-20	8-20-15	\$288	\$288	\$290
		Shares		
Marrone Bio Innovations, Inc., expires 12-31-20	2-6-18	230	\$ —	\$ 57
Marrone Bio Innovations, Inc., expires 8-20-23	8-20-15	230	—	—*
			\$288	\$ 347

The total value of these securities represented 0.1% of net assets at June 30, 2019.

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

(F) Rate shown is the yield to maturity at June 30, 2019.

(G) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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.

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

(I) Rate shown is the annualized 7-day yield at June 30, 2019.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
<b>Investments in Securities</b>			
Common Stocks			
Communication Services	\$ 74,806	\$ —	\$—
Consumer Discretionary	31,548	—	—
Health Care	81,425	—	—
Industrials	2,866	—	—
Information Technology	306,820	9,683	—
Materials	1,674	—	—
Real Estate	7,190	—	—
Total Common Stocks	\$506,329	\$ 9,683	\$—
Warrants	—	57	—
Corporate Debt Securities	—	290	—
Short-Term Securities	6,572	18,344	—
Total	\$ 512,901	\$28,374	\$—

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts  
 GTD = Guaranteed  
 LIBOR = London Interbank Offered Rate  
 REIT = Real Estate Investment Trust  
 TB = Treasury Bill

JUNE 30, 2019 (UNAUDITED)

## Country Diversification

(as a % of net assets)

United States	81.3%
India	5.1%
China	4.4%
Netherlands	2.3%
Germany	1.8%
Other Countries	0.8%
Other+	4.3%

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

ALL DATA AS OF JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

<b>Stocks</b>	<b>98.9%</b>
Information Technology	19.3%
Financials	18.3%
Industrials	14.6%
Health Care	11.5%
Consumer Discretionary	9.8%
Real Estate	6.9%
Utilities	6.0%
Consumer Staples	4.7%
Communication Services	4.7%
Energy	3.1%
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>1.1%</b>

## Top 10 Equity Holdings

Company	Sector	Industry
Webster Financial Corp.	Financials	Regional Banks
Vonage Holdings Corp.	Communication Services	Alternative Carriers
Nomad Foods Ltd.	Consumer Staples	Packaged Foods & Meats
Grand Canyon Education, Inc.	Consumer Discretionary	Education Services
Chemed Corp.	Health Care	Health Care Services
PROS Holdings, Inc.	Information Technology	Systems Software
Brink's Co. (The)	Industrials	Security & Alarm Services
Cardtronics plc, Class A	Information Technology	Data Processing & Outsourced Services
MGIC Investment Corp.	Financials	Thriffs & Mortgage Finance
Q2 Holdings, Inc.	Information Technology	Application Software

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

SMALL CAP CORE *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Communication Services			Specialized Finance – 0.7%			Information Technology		
Alternative Carriers – 4.7%			Thunder Bridge Acquisition Ltd.,			Application Software – 6.3%		
Vonage Holdings Corp. (A) . . . . .	828	\$ 9,380	Class A (A) . . . . .	145	\$ 1,517	Everbridge, Inc. (A) . . . . .	41	\$ 3,639
<b>Total Communication Services – 4.7%</b>		<b>9,380</b>	Thriffs & Mortgage Finance – 2.6%			Pluralsight, Inc., Class A (A) . . . . .	136	4,129
Consumer Discretionary			MGIC Investment Corp. (A) . . . . .	398	5,231	Q2 Holdings, Inc.(A) . . . . .	63	4,834
Apparel Retail – 1.2%			<b>Total Financials – 18.3%</b>		<b>36,752</b>			<b>12,602</b>
Boot Barn Holdings, Inc. (A) . . . . .	69	2,452	Health Care			Data Processing & Outsourced Services – 4.7%		
Casinos & Gaming – 2.2%			Health Care Equipment – 4.9%			Cardtronics plc, Class A (A) . . . . .	208	5,674
Red Rock Resorts, Inc., Class A . . . . .	203	4,369	AtriCure, Inc. (A) . . . . .	78	2,334	EVERTEC, Inc. . . . .	112	3,659
Education Services – 4.1%			Insulet Corp. (A) . . . . .	23	2,734			<b>9,333</b>
Grand Canyon Education, Inc. (A) . . . . .	71	8,250	Integer Holdings Corp. (A) . . . . .	25	2,065	Internet Services & Infrastructure – 1.0%		
Specialized Consumer Services – 2.3%			Tandem Diabetes Care, Inc. (A) . . . . .	43	2,761	Fastly, Inc., Class A (A)(B) . . . . .	104	2,103
OneSpaWorld Holdings Ltd. (A) . . . . .	293	4,539				IT Consulting & Other Services – 2.1%		
<b>Total Consumer Discretionary – 9.8%</b>		<b>19,610</b>	Health Care Services – 4.3%			Switch, Inc., Class A . . . . .	323	4,232
Consumer Staples			Chemed Corp. . . . .	21	7,408	Systems Software – 3.6%		
Food Retail – 0.2%			LHC Group, Inc. (A) . . . . .	10	1,208	PROS Holdings, Inc. (A) . . . . .	113	7,159
Grocery Outlet Holding Corp. (A) . . . . .	9	287						<b>7,159</b>
Packaged Foods & Meats – 4.5%			Health Care Supplies – 1.1%			Technology Distributors – 1.6%		
Nomad Foods Ltd. (A) . . . . .	425	9,072	ICU Medical, Inc. (A) . . . . .	9	2,141	Avnet, Inc. . . . .	71	3,223
<b>Total Consumer Staples – 4.7%</b>		<b>9,359</b>	Life Sciences Tools & Services – 1.2%			<b>Total Information Technology – 19.3%</b>		<b>38,652</b>
Energy			Adaptive Biotechnologies Corp. (A) . . . . .	5	256	Real Estate		
Oil & Gas Exploration & Production – 1.9%			Cambrex Corp. (A) . . . . .	32	1,484	Health Care REITs – 0.8%		
Magnolia Oil & Gas Corp. (A) . . . . .	322	3,729	Medpace Holdings, Inc. (A) . . . . .	9	615	Physicians Realty Trust . . . . .	86	1,500
Oil & Gas Storage & Transportation – 1.2%								
Scorpio Tankers, Inc. . . . .	81	2,385	<b>Total Health Care – 11.5%</b>		<b>23,006</b>	Hotel & Resort REITs – 1.3%		
<b>Total Energy – 3.1%</b>		<b>6,114</b>	Industrials			Gaylord Entertainment Co. . . . .	33	2,651
Financials			Aerospace & Defense – 0.8%			Industrial REITs – 3.5%		
Consumer Finance – 2.7%			Cubic Corp. . . . .	25	1,642	Americold Realty Trust . . . . .	86	2,798
Encore Capital Group, Inc. (A) . . . . .	63	2,124	Airlines – 1.1%			STAG Industrial, Inc. . . . .	138	4,182
Green Dot Corp., Class A (A) . . . . .	66	3,232	Spirit Airlines, Inc. (A) . . . . .	48	2,272			<b>6,980</b>
		<b>5,356</b>	Environmental & Facilities Services – 1.6%			Retail REITs – 1.3%		
Insurance Brokers – 0.9%			Clean Harbors, Inc. (A) . . . . .	45	3,214	Agree Realty Corp. . . . .	42	2,661
eHealth, Inc. (A) . . . . .	20	1,748	Industrial Machinery – 6.6%			<b>Total Real Estate – 6.9%</b>		<b>13,792</b>
Multi-Line Insurance – 2.3%			Crane Co. . . . .	54	4,464	Utilities		
Kemper Corp. . . . .	55	4,737	Gardner Denver Holdings, Inc. (A) . . . . .	134	4,628	Electric Utilities – 3.2%		
Property & Casualty Insurance – 3.4%			RBC Bearings, Inc. (A) . . . . .	24	4,020	ALLETE, Inc. . . . .	30	2,496
Argo Group International						IDACORP, Inc. . . . .	26	2,561
Holdings Ltd. . . . .	49	3,598	Research & Consulting Services – 1.1%			Portland General Electric Co. . . . .	24	1,322
Old Republic International Corp. . . . .	143	3,189	ICF International, Inc. . . . .	31	2,235			<b>6,379</b>
		<b>6,787</b>	Security & Alarm Services – 3.4%			Gas Utilities – 1.9%		
Regional Banks – 5.7%			Brink's Co. (The) . . . . .	83	6,754	ONE Gas, Inc. . . . .	42	3,836
Chemical Financial Corp. . . . .	44	1,789	<b>Total Industrials – 14.6%</b>		<b>29,229</b>	Independent Power Producers & Energy Traders – 0.9%		
Webster Financial Corp. . . . .	201	9,587				Black Hills Corp. . . . .	23	1,829
		<b>11,376</b>				<b>Total Utilities – 6.0%</b>		<b>12,044</b>
						<b>TOTAL COMMON STOCKS – 98.9%</b>		<b>\$197,938</b>
						(Cost: \$179,756)		

# SCHEDULE OF INVESTMENTS

SMALL CAP CORE *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

SHORT-TERM SECURITIES	Principal	Value
Master Note – 1.4%		
Toyota Motor Credit Corp. (1-Month U.S. LIBOR plus 15 bps), 2.620%, 7-5-19 (C)	\$2,826	\$ 2,826
	Shares	
Money Market Funds – 0.5%		
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares, 2.360%, (D)(E) . . . . .	1,095	1,095
<b>TOTAL SHORT-TERM SECURITIES – 1.9%</b>	<b>\$</b>	<b>3,921</b>
(Cost: \$3,921)		
<b>TOTAL INVESTMENT SECURITIES – 100.8%</b>		<b>\$ 201,859</b>
(Cost: \$183,677)		
<b>LIABILITIES, NET OF CASH AND OTHER ASSETS – (0.8)%</b>		<b>(1,525)</b>
<b>NET ASSETS – 100.0%</b>		<b>\$200,334</b>

## Notes to Schedule of Investments

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

(B) All or a portion of securities with an aggregate value of \$1,073 are on loan.

(C) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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 June 30, 2019.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks . . . . .	\$197,938	\$ —	\$—
Short-Term Securities . . . . .	1,095	2,826	—
Total . . . . .	<u>\$199,033</u>	<u>\$2,826</u>	<u>\$—</u>

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 AS OF JUNE 30, 2019 (UNAUDITED)

## Asset Allocation

<b>Stocks</b>	<b>95.2%</b>
Information Technology	25.8%
Health Care	23.0%
Industrials	17.0%
Consumer Discretionary	16.6%
Financials	5.3%
Consumer Staples	3.2%
Energy	2.1%
Communication Services	1.9%
Real Estate	0.3%
<b>Liabilities (Net of Cash and Other Assets), and Cash Equivalents+</b>	<b>4.8%</b>

## Top 10 Equity Holdings

Company	Sector	Industry
Teladoc Health, Inc.	Health Care	Health Care Services
Mercury Computer Systems, Inc.	Industrials	Aerospace & Defense
Grand Canyon Education, Inc.	Consumer Discretionary	Education Services
Proofpoint, Inc.	Information Technology	Systems Software
InterXion Holding N.V.	Information Technology	IT Consulting & Other Services
Mimecast Ltd.	Information Technology	Application Software
Nexstar Broadcasting Group, Inc.	Communication Services	Broadcasting
Woodward, Inc.	Industrials	Industrial Machinery
CareDx, Inc.	Health Care	Health Care Technology
Five9, Inc.	Information Technology	Application Software

See your advisor or [www.ivyinvestments.com](http://www.ivyinvestments.com) for more information on the Portfolio'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.

# SCHEDULE OF INVESTMENTS

# SMALL CAP GROWTH *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value
Communication Services			Packaged Foods & Meats – 2.1%			Health Care Supplies – 2.2%		
Broadcasting – 1.9%			Calavo Growers, Inc. (B) . . . . .	3	\$ 261	Merit Medical Systems, Inc. (A) . . . . .	99	\$ 5,917
Nexstar Broadcasting Group, Inc. . . . .	74	\$ 7,436	J&J Snack Foods Corp. . . . .	25	4,098	STAAR Surgical Co. (A) . . . . .	102	2,985
			Nomad Foods Ltd. (A) . . . . .	182	3,887			8,902
					8,246			
<b>Total Communication Services – 1.9%</b>		<b>7,436</b>	<b>Total Consumer Staples – 3.2%</b>		<b>12,864</b>	Health Care Technology – 3.7%		
Consumer Discretionary			Energy			CareDx, Inc. (A) . . . . .	205	7,367
Auto Parts & Equipment – 0.6%			Oil & Gas Equipment & Services – 0.8%			Evolent Health, Inc., Class A (A) . . . . .	112	889
Dorman Products, Inc. (A) . . . . .	29	2,547	Dril-Quip, Inc. (A) . . . . .	30	1,447	HMS Holdings Corp. (A) . . . . .	128	4,151
			ProPetro Holding Corp. (A) . . . . .	95	1,971	Omnicell, Inc. (A) . . . . .	29	2,453
					3,418			14,860
Automotive Retail – 1.0%			Oil & Gas Exploration & Production – 1.3%			Managed Health Care – 1.0%		
Carvana Co. (A)(B) . . . . .	63	3,934	Magnolia Oil & Gas Corp. (A) . . . . .	151	1,753	HealthEquity, Inc. (A) . . . . .	61	4,006
			Matador Resources Co. (A) . . . . .	166	3,302			
					5,055	Pharmaceuticals – 0.8%		
Casinos & Gaming – 1.9%			<b>Total Energy – 2.1%</b>		<b>8,473</b>	Aerie Pharmaceuticals, Inc. (A) . . . . .	107	3,168
Eldorado Resorts, Inc. (A)(B) . . . . .	93	4,290	Financials					
PlayAGS, Inc. (A) . . . . .	170	3,309	Insurance Brokers – 0.6%			<b>Total Health Care – 23.0%</b>		<b>92,368</b>
		7,599	eHealth, Inc. (A) . . . . .	29	2,514	Industrials		
Distributors – 1.5%						Aerospace & Defense – 2.3%		
Pool Corp. . . . .	33	6,214	Investment Banking & Brokerage – 2.6%			Mercury Computer Systems, Inc. (A) . . . . .	130	9,172
			Evercore Partners, Inc. . . . .	47	4,173			
Education Services – 2.2%			LPL Investment Holdings, Inc. . . . .	74	6,066	Air Freight & Logistics – 1.2%		
Grand Canyon Education, Inc. (A) . . . . .	74	8,641			10,239	Air Transport Services Group, Inc. (A) . . . . .	206	5,034
			Regional Banks – 1.3%					
General Merchandise Stores – 0.8%			Heritage Financial Corp. . . . .	58	1,711	Building Products – 0.5%		
Ollie's Bargain Outlet Holdings, Inc. (A) . . . . .	37	3,217	Seacoast Banking Corp. of Florida (A) . . . . .	131	3,328	PGT Innovations, Inc. (A) . . . . .	124	2,075
					5,039			
Homebuilding – 1.3%			Thriffs & Mortgage Finance – 0.8%			Diversified Support Services – 0.7%		
Installed Building Products, Inc. (A) . . . . .	89	5,297	Essent Group Ltd. (A) . . . . .	71	3,324	Healthcare Services Group, Inc. . . . .	96	2,899
Hotels, Resorts & Cruise Lines – 1.2%			<b>Total Financials – 5.3%</b>		<b>21,116</b>	Electrical Components & Equipment – 0.7%		
Hilton Grand Vacations, Inc. (A) . . . . .	147	4,675	Health Care			EnerSys . . . . .	39	2,690
			Biotechnology – 1.1%			Environmental & Facilities Services – 1.5%		
Internet & Direct Marketing Retail – 1.9%			Vericel Corp. (A) . . . . .	223	4,215	Clean Harbors, Inc. (A) . . . . .	87	6,208
Etsy, Inc. (A) . . . . .	108	6,617						
RealReal, Inc. (The) (A) . . . . .	31	892	Health Care Distributors – 1.6%			Industrial Machinery – 7.4%		
Revolve Group, Inc. (A)(B) . . . . .	8	268	PetIQ, Inc. (A) . . . . .	197	6,494	Crane Co. . . . .	36	3,005
		7,777				John Bean Technologies Corp. . . . .	57	6,939
Leisure Facilities – 1.4%			Health Care Equipment – 7.1%			RBC Bearings, Inc. (A) . . . . .	34	5,735
SeaWorld Entertainment, Inc. (A) . . . . .	182	5,654	Inogen, Inc. (A) . . . . .	58	3,858	Timken Co. (The) . . . . .	126	6,474
			Insulet Corp. (A) . . . . .	56	6,660	Woodward, Inc. . . . .	66	7,435
Leisure Products – 0.1%			iRhythm Technologies, Inc. (A) . . . . .	69	5,418			29,588
Malibu Boats, Inc., Class A (A) . . . . .	6	238	NovoCure Ltd. (A) . . . . .	44	2,799	Security & Alarm Services – 1.5%		
			Penumbra, Inc. (A) . . . . .	24	3,773	Brink's Co. (The) . . . . .	75	6,097
Restaurants – 1.8%			Tactile Systems Technology, Inc. (A) . . . . .	104	5,937			
Wingstop, Inc. . . . .	76	7,219			28,445	Trucking – 1.2%		
			Health Care Services – 5.5%			Knight Transportation, Inc. . . . .	143	4,709
Specialty Stores – 0.9%			AMN Healthcare Services, Inc. (A) . . . . .	96	5,223			
Five Below, Inc. (A) . . . . .	30	3,583	LHC Group, Inc. (A) . . . . .	43	5,093	<b>Total Industrials – 17.0%</b>		<b>68,472</b>
			Teladoc Health, Inc. (A)(B) . . . . .	180	11,962	Information Technology		
<b>Total Consumer Discretionary – 16.6%</b>		<b>66,595</b>			22,278	Application Software – 13.9%		
Consumer Staples			Health Care Services – 5.5%			Coupa Software, Inc. (A) . . . . .	8	1,057
Distillers & Vintners – 0.2%			AMN Healthcare Services, Inc. (A) . . . . .	96	5,223	Envestnet, Inc. (A) . . . . .	73	4,962
MGP Ingredients, Inc. (B) . . . . .	13	835	LHC Group, Inc. (A) . . . . .	43	5,093	Five9, Inc. (A) . . . . .	143	7,348
			Teladoc Health, Inc. (A)(B) . . . . .	180	11,962	Globant S.A. (A) . . . . .	54	5,420
Food Retail – 0.9%					22,278	HubSpot, Inc. (A) . . . . .	24	4,134
Grocery Outlet Holding Corp. (A) . . . . .	18	578						
Sprouts Farmers Market, Inc. (A) . . . . .	170	3,205						
		3,783						

# SCHEDULE OF INVESTMENTS

# SMALL CAP GROWTH *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

COMMON STOCKS (Continued)	Shares	Value	COMMON STOCKS (Continued)	Shares	Value	SHORT-TERM SECURITIES (Continued)	Principal	Value
Application Software (Continued)			Systems Software – 4.1%			Commercial Paper (C) (Continued)		
Mimecast Ltd. (A)	160	\$ 7,488	Proofpoint, Inc. (A)	68	\$ 8,152	Wisconsin Gas LLC,		
New Relic, Inc. (A)	45	3,875	Tufin Software Technologies			2.940%, 7-17-19	\$4,000	\$ 3,995
Paycom Software, Inc. (A)	16	3,691	Ltd. (A)	43	1,102			<u>16,677</u>
Pluralsight, Inc., Class A (A)	163	4,955	Varonis Systems, Inc. (A)	87	5,400	Master Note – 1.0%		
Q2 Holdings, Inc. (A)	90	6,857	Zscaler, Inc. (A)	22	1,652	Toyota Motor Credit Corp. (1-Month		
RealPage, Inc. (A)	59	3,458				U.S. LIBOR plus 15 bps),		
Smartsheet, Inc., Class A (A)	56	2,695				2.620%, 7-5-19 (D)	4,152	4,152
		<u>55,940</u>	<b>Total Information Technology – 25.8%</b>		<b>103,608</b>			
Communications Equipment – 0.8%			Real Estate			Money Market Funds – 1.2%		
Viavi Solutions, Inc. (A)	247	3,277	Health Care REITs – 0.3%			Dreyfus Institutional Preferred		
			Community Healthcare			Government Money Market		
Data Processing & Outsourced Services – 1.1%			Trust, Inc.	34	1,333	Fund – Institutional Shares,		
EVO Payments, Inc., Class A (A)	136	4,290				2.360%, (E)(F)	5,005	5,005
			<b>Total Real Estate – 0.3%</b>		<b>1,333</b>			
Internet Services & Infrastructure – 1.3%			<b>TOTAL COMMON STOCKS – 95.2%</b>			<b>TOTAL SHORT-TERM SECURITIES – 6.4%</b>		
8x8, Inc. (A)	222	5,339			<b>\$382,265</b>			<b>\$ 25,834</b>
			(Cost: \$295,664)			(Cost: \$25,839)		
IT Consulting & Other Services – 3.2%			<b>SHORT-TERM SECURITIES</b>			<b>TOTAL INVESTMENT</b>		
Booz Allen Hamilton Holding Corp.	78	5,187				SECURITIES – 101.6%		<b>\$408,099</b>
InterXion Holding N.V. (A)	100	7,641	Commercial Paper (C) – 4.2%					
		<u>12,828</u>	Florida Power & Light Co.,			(Cost: \$321,503)		
Semiconductors – 1.4%			2.320%, 7-17-19	\$5,000	4,993	<b>LIABILITIES, NET OF CASH AND OTHER</b>		
Monolithic Power Systems, Inc.	41	5,628	J.M. Smucker Co. (The),			ASSETS – (1.6%)		<b>(6,244)</b>
			2.501%, 7-1-19	2,695	2,694			
			McCormick & Co., Inc.,			<b>NET ASSETS – 100.0%</b>		<b>\$ 401,855</b>
			3.100%, 7-11-19	5,000	4,995			

## 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 \$17,656 are on loan.

(C) Rate shown is the yield to maturity at June 30, 2019.

(D) Variable rate security. Interest rate disclosed is that which is in effect at June 30, 2019. 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) Investment made with cash collateral received from securities on loan.

(F) Rate shown is the annualized 7-day yield at June 30, 2019.

The following total return swap agreements were outstanding at June 30, 2019:

Underlying Security	Long/Short	Counterparty	Maturity Date	Notional Amount	Financing Fee <sup>(1)(2)</sup>	Value	Upfront Payments/ (Receipts)	Unrealized Appreciation
Biotech Custom Index	Long	Goldman Sachs International	02/28/2020	\$11,951	1-Month LIBOR plus 10 bps	\$525	\$—	\$525

(1) The Portfolio pays the financing fee multiplied by the notional amount if long on the swap agreement. If the Portfolio is short on the swap agreement, the Portfolio receives the financing fee multiplied by the notional amount.

(2) At the termination date, a net cash flow is exchanged where the market-linked total return is equivalent to the return of the underlying security less a financing rate, if any. If the Portfolio is long on the swap agreement, the Portfolio would receive payments on any net positive total return, and would owe payments in the event of a negative total return. If the Portfolio is short on the swap agreement, the Portfolio would owe payments on any net positive total return, and would receive payments in the event of a negative total return.

# SCHEDULE OF INVESTMENTS

# SMALL CAP GROWTH *(in thousands)*

JUNE 30, 2019 (UNAUDITED)

The following table represents security positions within the total return basket swap as of June 30, 2019:

Reference Entity	Shares	Notional Amount	Value	% of Value	Reference Entity	Shares	Notional Amount	Value	% of Value
Array BioPharma, Inc.	1	\$907	\$40	7.7%	Esperion Therapeutics, Inc.	—*	\$101	\$ 4	0.8%
Horizon Therapeutics plc	1	385	17	3.3	Aerie Pharmaceuticals, Inc.	—*	101	4	0.8
Blueprint Medicines Corp.	—*	372	16	3.1	Innoviva, Inc.	—*	96	4	0.8
FibroGen, Inc.	—*	328	14	2.7	Radius Health, Inc.	—*	93	4	0.8
Repligen Corp.	—*	318	14	2.7	Momenta Pharmaceuticals, Inc.	—*	92	4	0.8
Ultragenyx Pharmaceutical, Inc.	—*	289	13	2.4	Denali Therapeutics, Inc.	—*	88	4	0.7
Global Blood Therapeutics, Inc.	—*	252	11	2.1	Aimmune Therapeutics, Inc.	—*	87	4	0.7
ACADIA Pharmaceuticals, Inc.	—*	249	11	2.1	Natera, Inc.	—*	86	4	0.7
Iovance Biotherapeutics, Inc.	—*	247	11	2.1	Apellis Pharmaceuticals, Inc.	—*	85	4	0.7
Amicus Therapeutics, Inc.	1	228	10	1.9	Athenex, Inc.	—*	83	4	0.7
Ligand Pharmaceuticals, Inc.	—*	226	10	1.9	Dicerna Pharmaceuticals, Inc.	—*	79	3	0.7
Arena Pharmaceuticals, Inc.	—*	223	10	1.9	Retrophin, Inc.	—*	79	3	0.7
Medicines Co. (The)	—*	220	10	1.8	Atara Biotherapeutics, Inc.	—*	79	3	0.7
Arrowhead Pharmaceuticals, Inc.	—*	219	10	1.8	Spectrum Pharmaceuticals, Inc.	—*	77	3	0.6
Emergent BioSolutions, Inc.	—*	211	9	1.8	Vericel Corp.	—*	76	3	0.6
Halozyne Therapeutics, Inc.	1	203	9	1.7	Veracyte, Inc.	—*	76	3	0.6
Mirati Therapeutics, Inc.	—*	195	9	1.6	Madrigal Pharmaceuticals, Inc.	—*	69	3	0.6
PTC Therapeutics, Inc.	—*	192	8	1.6	Vanda Pharmaceuticals, Inc.	—*	69	3	0.6
Insmed, Inc.	—*	185	8	1.5	Omeros Corp.	—*	69	3	0.6
Xencor, Inc.	—*	182	8	1.5	Theravance Biopharma, Inc.	—*	68	3	0.6
Spark Therapeutics, Inc.	—*	180	8	1.5	Clovis Oncology, Inc.	—*	67	3	0.6
Immunomedics, Inc.	1	176	8	1.5	Intersect ENT, Inc.	—*	65	3	0.5
Reata Pharmaceuticals, Inc.	—*	168	7	1.4	MacroGenics, Inc.	—*	63	3	0.5
Intercept Pharmaceuticals, Inc.	—*	166	7	1.4	ANI Pharmaceuticals, Inc.	—*	62	3	0.5
Pacira BioSciences, Inc.	—*	165	7	1.4	Amneal Pharmaceuticals, Inc.	—*	60	3	0.5
Myriad Genetics, Inc.	—*	164	7	1.4	Phibro Animal Health Corp.	—*	59	3	0.5
MyoKardia, Inc.	—*	162	7	1.4	Cara Therapeutics, Inc.	—*	57	3	0.5
REGENXBIO, Inc.	—*	156	7	1.3	Alder Biopharmaceuticals, Inc.	—*	53	2	0.4
Portola Pharmaceuticals, Inc.	—*	156	7	1.3	Intrexon Corp.	—*	53	2	0.4
Supernus Pharmaceuticals, Inc.	—*	153	7	1.3	Epizyme, Inc.	—*	53	2	0.4
Ironwood Pharmaceuticals, Inc.	1	147	7	1.2	CytomX Therapeutics, Inc.	—*	47	2	0.4
Invitae Corp.	—*	144	6	1.2	Viking Therapeutics, Inc.	—*	46	2	0.4
Zogenix, Inc.	—*	142	6	1.2	Allogene Therapeutics, Inc.	—*	46	2	0.4
Enanta Pharmaceuticals, Inc.	—*	134	6	1.1	TherapeuticsMD, Inc.	1	45	2	0.4
Accelaron Pharma, Inc.	—*	125	5	1.0	WaVe Life Sciences Ltd.	—*	44	2	0.4
Audentes Therapeutics, Inc.	—*	124	5	1.0	Revance Therapeutics, Inc.	—*	41	2	0.3
Heron Therapeutics, Inc.	—*	121	5	1.0	Flexion Therapeutics, Inc.	—*	40	2	0.3
Biohaven Pharmaceutical Holding Co. Ltd.	—*	117	5	1.0	Akebia Therapeutics, Inc.	—*	37	2	0.3
Genomic Health, Inc.	—*	116	5	1.0	Puma Biotechnology, Inc.	—*	34	2	0.3
Fate Therapeutics, Inc.	—*	114	5	1.0	BioCryst Pharmaceuticals, Inc.	—*	33	1	0.3
AnaptysBio, Inc.	—*	112	5	0.9	ImmunoGen, Inc.	1	30	1	0.3
CareDx, Inc.	—*	112	5	0.9	Dynavax Technologies Corp.	—*	21	1	0.2
Coherus Biosciences, Inc.	—*	108	5	0.9	Karyopharm Therapeutics, Inc.	—*	17	1	0.1
Editas Medicine, Inc.	—*	108	5	0.9	Cyclerion Therapeutics, Inc.	—*	15	1	0.1
Corcept Therapeutics, Inc.	—*	106	5	0.9					
Sangamo Therapeutics, Inc.	—*	103	5	0.9					
								<u>\$525</u>	

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of June 30, 2019. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
<b>Assets</b>			
Investments in Securities			
Common Stocks	\$382,265	\$ —	\$—
Short-Term Securities	5,005	20,829	—
Total	<u>\$387,270</u>	<u>\$20,829</u>	<u>\$—</u>
Total Return Swaps	\$ —	\$ 525	\$—

The following acronyms are used throughout this schedule:

LIBOR = London Interbank Offered Rate  
REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

# STATEMENTS OF ASSETS AND LIABILITIES

IVY VIP

AS OF JUNE 30, 2019 (UNAUDITED)

(In thousands, except per share amounts)	Asset Strategy <sup>(1)</sup>	Balanced	Energy	Growth	High Income	International Core Equity	Mid Cap Growth
<b>ASSETS</b>							
Investments in unaffiliated securities at value+^	\$ 738,567	\$ 328,917	\$ 43,436	\$ 772,462	\$ 905,627	\$ 727,347	\$ 511,933
Investments in affiliated securities at value+	—	—	—	—	957	—	—
Bullion at value+	41,231	—	—	—	—	—	—
<b>Investments at Value</b>	<b>779,798</b>	<b>328,917</b>	<b>43,436</b>	<b>772,462</b>	<b>906,584</b>	<b>727,347</b>	<b>511,933</b>
Cash	415	32	1	1	2,132	1	1
Cash denominated in foreign currencies at value+	—*	—	—	—	—	1,108	—
Investment securities sold receivable	8,513	—	361	—	734	649	595
Dividends and interest receivable	3,305	1,065	18	179	12,575	2,146	190
Capital shares sold receivable	40	85	17	53	313	11	4,298
Receivable from affiliates	—	—	—	—	—	—	144
Unrealized appreciation on forward foreign currency contracts	—	—	—	—	—	1,704	—
Receivable from securities lending income — net	25	—*	—*	—*	14	13	2
Prepaid and other assets	—	—	—	1	1	—	—
<b>Total Assets</b>	<b>792,096</b>	<b>330,099</b>	<b>43,833</b>	<b>772,696</b>	<b>922,353</b>	<b>732,979</b>	<b>517,163</b>
<b>LIABILITIES</b>							
Cash collateral on securities loaned at value	—	671	1,185	—	2,597	8,253	—
Investment securities purchased payable	8,672	—	—	—	15,447	3,412	246
Capital shares redeemed payable	517	187	2	501	228	365	228
Independent Trustees and Chief Compliance Officer fees payable	158	89	8	277	80	80	36
Distribution and service fees payable	16	7	1	16	18	15	6
Shareholder servicing payable	1	1	—*	1	1	1	1
Investment management fee payable	45	19	3	44	45	50	36
Accounting services fee payable	19	8	2	17	18	14	11
Unrealized depreciation on forward foreign currency contracts	—	—	—	—	3	—	—
Other liabilities	25	7	6	13	51	24	11
<b>Total Liabilities</b>	<b>9,453</b>	<b>989</b>	<b>1,207</b>	<b>869</b>	<b>18,488</b>	<b>12,214</b>	<b>575</b>
<b>Commitments and Contingencies</b> (See Note 2 and Note 12)							
<b>Total Net Assets</b>	<b>\$782,643</b>	<b>\$ 329,110</b>	<b>\$42,626</b>	<b>\$ 771,827</b>	<b>\$903,865</b>	<b>\$720,765</b>	<b>\$516,588</b>
<b>NET ASSETS</b>							
Capital paid in (shares authorized — unlimited)	\$ 712,359	\$ 289,523	\$ 90,850	\$ 488,758	\$ 982,698	\$ 752,038	\$ 375,915
Accumulated earnings gain (loss)	70,284	39,587	(48,224)	283,069	(78,833)	(31,273)	140,673
<b>Total Net Assets</b>	<b>\$782,643</b>	<b>\$ 329,110</b>	<b>\$42,626</b>	<b>\$ 771,827</b>	<b>\$903,865</b>	<b>\$720,765</b>	<b>\$516,588</b>
<b>CAPITAL SHARES OUTSTANDING:</b>							
Class I	33	N/A	52	N/A	13,802	N/A	18,536
Class II	82,316	43,386	10,038	75,112	253,419	48,818	25,611
<b>NET ASSET VALUE PER SHARE:</b>							
Class I	\$ 9.51	N/A	\$ 4.24	N/A	\$ 3.39	N/A	\$ 11.74
Class II	\$ 9.50	\$ 7.59	\$ 4.23	\$ 10.28	\$ 3.38	\$ 14.77	\$ 11.68
<b>+COST</b>							
Investments in unaffiliated securities at cost	\$ 692,171	\$ 304,300	\$ 59,253	\$ 528,214	\$ 941,713	\$ 743,461	\$ 389,483
Investments in affiliated securities at cost	—	—	—	—	1,085	—	—
Bullion at cost	36,084	—	—	—	—	—	—
Cash denominated in foreign currencies at cost	—	—	—	—	—	1,099	—
^Securities loaned at value	—	4,554	1,155	—	4,642	7,855	10,297

\*Not shown due to rounding.

<sup>(1)</sup>Consolidated Statement of Assets and Liabilities (See Note 5 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

# STATEMENTS OF ASSETS AND LIABILITIES

IVY VIP

AS OF JUNE 30, 2019 (UNAUDITED)

(In thousands, except per share amounts)	Natural Resources	Science and Technology	Small Cap Core	Small Cap Growth
<b>ASSETS</b>				
Investments in unaffiliated securities at value+^	\$ 90,949	\$ 541,275	\$ 201,859	\$ 408,099
Investments at Value	90,949	541,275	201,859	408,099
Cash	1	1	110	1
Investment securities sold receivable	334	5,580	795	817
Dividends and interest receivable	89	269	108	38
Capital shares sold receivable	30	117	9	134
Receivable from affiliates	—	—	—	54
Unrealized appreciation on forward foreign currency contracts	468	—	—	—
Swap agreements, at value	—	—	—	525
Receivable from securities lending income — net	1	51	1	2
<b>Total Assets</b>	<b>91,872</b>	<b>547,293</b>	<b>202,882</b>	<b>409,670</b>
<b>LIABILITIES</b>				
Cash collateral on securities loaned at value	1,360	6,572	1,095	5,005
Investment securities purchased payable	—	843	1,229	2,447
Capital shares redeemed payable	48	324	161	190
Independent Trustees and Chief Compliance Officer fees payable	18	92	32	121
Distribution and service fees payable	2	11	4	7
Shareholder servicing payable	—*	1	—*	—*
Investment management fee payable	6	38	14	28
Accounting services fee payable	4	11	6	10
Unrealized depreciation on forward foreign currency contracts	22	—	—	—
Other liabilities	5	13	7	7
<b>Total Liabilities</b>	<b>1,465</b>	<b>7,905</b>	<b>2,548</b>	<b>7,815</b>
Commitments and Contingencies (See Note 2 and Note 12)				
<b>Total Net Assets</b>	<b>\$ 90,407</b>	<b>\$ 539,388</b>	<b>\$ 200,334</b>	<b>\$ 401,855</b>
<b>NET ASSETS</b>				
Capital paid in (shares authorized — unlimited)	\$150,523	\$ 267,706	\$ 181,423	\$ 293,018
Accumulated earnings gain (loss)	(60,116)	271,682	18,911	108,837
<b>Total Net Assets</b>	<b>\$ 90,407</b>	<b>\$ 539,388</b>	<b>\$ 200,334</b>	<b>\$ 401,855</b>
<b>CAPITAL SHARES OUTSTANDING:</b>				
Class I	N/A	26	N/A	6,229
Class II	23,459	18,581	15,158	36,908
<b>NET ASSET VALUE PER SHARE:</b>				
Class I	N/A	\$ 29.12	N/A	\$ 9.33
Class II	\$ 3.85	\$ 28.99	\$ 13.22	\$ 9.31
<b>+COST</b>				
Investments in unaffiliated securities at cost	\$ 109,167	\$ 297,776	\$ 183,677	\$ 321,503
^Securities loaned at value	2,291	18,736	1,073	17,656

\*Not shown due to rounding.

See Accompanying Notes to Financial Statements.

# STATEMENTS OF OPERATIONS

IVY VIP

FOR THE SIX MONTHS ENDED JUNE 30, 2019 (UNAUDITED)

(In thousands)	Asset Strategy <sup>(1)</sup>	Balanced	Energy	Growth	High Income	International Core Equity	Mid Cap Growth
<b>INVESTMENT INCOME</b>							
Dividends from unaffiliated securities	\$ 7,145	\$ 2,059	\$ 292	\$ 3,340	\$ 852	\$ 14,545	\$ 1,498
Foreign dividend withholding tax	(633)	(1)	(5)	(14)	—	(1,515)	—
Interest and amortization from unaffiliated securities	6,117	1,904	16	57	32,193	500	96
Interest and amortization from affiliated securities	—	—	—	—	41	—	—
Securities lending income — net	140	9	4	6	86	108	8
<b>Total Investment Income</b>	<b>12,769</b>	<b>3,971</b>	<b>307</b>	<b>3,389</b>	<b>33,172</b>	<b>13,638</b>	<b>1,602</b>
<b>EXPENSES</b>							
Investment management fee	2,698	1,138	190	2,573	2,716	3,045	2,038
Distribution and service fees:							
Class II	963	406	56	919	1,049	896	339
Shareholder servicing:							
Class I	—*	N/A	—*	N/A	—*	N/A	1
Class II	16	5	3	9	12	7	8
Custodian fees	24	4	4	6	12	51	5
Independent Trustees and Chief Compliance Officer fees	19	9	1	20	22	18	12
Accounting services fee	101	48	14	92	107	84	67
Professional fees	58	24	19	23	42	40	20
Other	57	12	10	24	36	30	25
<b>Total Expenses</b>	<b>3,936</b>	<b>1,646</b>	<b>297</b>	<b>3,666</b>	<b>3,996</b>	<b>4,171</b>	<b>2,515</b>
Less:							
Expenses in excess of limit	—	—	—	—	—	—	(144)
<b>Total Net Expenses</b>	<b>3,936</b>	<b>1,646</b>	<b>297</b>	<b>3,666</b>	<b>3,996</b>	<b>4,171</b>	<b>2,371</b>
<b>Net Investment Income (Loss)</b>	<b>8,833</b>	<b>2,325</b>	<b>10</b>	<b>(277)</b>	<b>29,176</b>	<b>9,467</b>	<b>(769)</b>
<b>REALIZED AND UNREALIZED GAIN (LOSS)</b>							
Net realized gain (loss) on:							
Investments in unaffiliated securities	14,034	12,971	(1,924)	39,406	402	(23,837)	19,198
Investments in affiliated securities	—	—	—	—	1	—	—
Written options	—	—	—	—	—	—	135
Swap agreements	569	—	—	—	—	201	—
Forward foreign currency contracts	—	—	—	—	34	(2,621)	—
Foreign currency exchange transactions	(150)	—	—	—	1	(101)	2
Net change in unrealized appreciation (depreciation) on:							
Investments in unaffiliated securities	83,724	23,295	5,690	116,722	41,479	95,263	92,596
Investments in affiliated securities	—	—	—	—	(34)	—	—
Swap agreements	—	—	—	—	—	(46)	—
Forward foreign currency contracts	—	—	—	—	(17)	2,052	—
Foreign currency exchange transactions	28	—	—	—	—*	29	—*
<b>Net Realized and Unrealized Gain</b>	<b>98,205</b>	<b>36,266</b>	<b>3,766</b>	<b>156,128</b>	<b>41,866</b>	<b>70,940</b>	<b>111,931</b>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$107,038</b>	<b>\$ 38,591</b>	<b>\$ 3,776</b>	<b>\$155,851</b>	<b>\$71,042</b>	<b>\$80,407</b>	<b>\$ 111,162</b>

\*Not shown due to rounding.

(1) Consolidated Statement of Operations (See Note 5 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

# STATEMENTS OF OPERATIONS

IVY VIP

FOR THE SIX MONTHS ENDED JUNE 30, 2019 (UNAUDITED)

(In thousands)	Natural Resources	Science and Technology	Small Cap Core	Small Cap Growth
<b>INVESTMENT INCOME</b>				
Dividends from unaffiliated securities	\$ 1,591	\$ 1,474	\$ 860	\$ 135
Foreign dividend withholding tax	(24)	(29)	(1)	—
Interest and amortization from unaffiliated securities	26	202	106	219
Securities lending income — net	5	273	4	21
<b>Total Investment Income</b>	<b>1,598</b>	<b>1,920</b>	<b>969</b>	<b>375</b>
<b>EXPENSES</b>				
Investment management fee	394	2,112	828	1,671
Distribution and service fees:				
Class II	116	620	244	420
Shareholder servicing:				
Class I	N/A	—*	N/A	—*
Class II	4	8	4	7
Custodian fees	2	2	7	3
Independent Trustees and Chief Compliance Officer fees	2	12	5	10
Accounting services fee	22	68	35	63
Professional fees	26	25	20	21
Other	13	32	7	30
<b>Total Expenses</b>	<b>579</b>	<b>2,879</b>	<b>1,150</b>	<b>2,225</b>
Less:				
Expenses in excess of limit	—	—	—	(54)
<b>Total Net Expenses</b>	<b>579</b>	<b>2,879</b>	<b>1,150</b>	<b>2,171</b>
<b>Net Investment Income (Loss)</b>	<b>1,019</b>	<b>(959)</b>	<b>(181)</b>	<b>(1,796)</b>
<b>REALIZED AND UNREALIZED GAIN (LOSS)</b>				
Net realized gain (loss) on:				
Investments in unaffiliated securities	(298)	32,274	1,329	22,474
Written options	—	(2,701)	—	—
Swap agreements	—	—	—	547
Forward foreign currency contracts	183	—	—	—
Foreign currency exchange transactions	4	(3)	—	—
Net change in unrealized appreciation (depreciation) on:				
Investments in unaffiliated securities	7,845	108,693	33,323	56,855
Swap agreements	—	—	—	1,837
Forward foreign currency contracts	20	—	—	—
Foreign currency exchange transactions	—*	—	—	—
<b>Net Realized and Unrealized Gain</b>	<b>7,754</b>	<b>138,263</b>	<b>34,652</b>	<b>81,713</b>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$8,773</b>	<b>\$137,304</b>	<b>\$ 34,471</b>	<b>\$ 79,917</b>

\*Not shown due to rounding.

See Accompanying Notes to Financial Statements.



# STATEMENTS OF CHANGES IN NET ASSETS

IVY VIP

(In thousands)	Asset Strategy <sup>(1)</sup>		Balanced		Energy	
	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18
<b>INCREASE (DECREASE) IN NET ASSETS</b>						
<b>Operations:</b>						
Net investment income (loss)	\$ 8,833	\$ 14,508	\$ 2,325	\$ 5,385	\$ 10	\$ (601)
Net realized gain (loss) on investments	14,453	83,992	12,971	26,007	(1,924)	6,108
Net change in unrealized appreciation (depreciation)	83,752	(139,114)	23,295	(40,922)	5,690	(28,418)
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>107,038</b>	<b>(40,614)</b>	<b>38,591</b>	<b>(9,530)</b>	<b>3,776</b>	<b>(22,911)</b>
<b>Distributions to Shareholders From:</b>						
Accumulated earnings: (combined net investment income and net realized gains)						
Class I	—*	(18)	N/A	N/A	—	—
Class II	(1,322)	(49,202)	(31,681)	(10,863)	—	—
<b>Total Distributions to Shareholders</b>	<b>(1,322)</b>	<b>(49,220)</b>	<b>(31,681)</b>	<b>(10,863)</b>	<b>—</b>	<b>—</b>
<b>Capital Share Transactions</b>	<b>(76,415)</b>	<b>(92,730)</b>	<b>11,882</b>	<b>(31,749)</b>	<b>(348)</b>	<b>(106,411)</b>
<b>Net Increase (Decrease) in Net Assets</b>	<b>29,301</b>	<b>(182,564)</b>	<b>18,792</b>	<b>(52,142)</b>	<b>3,428</b>	<b>(129,322)</b>
<b>Net Assets, Beginning of Period</b>	<b>753,342</b>	<b>935,906</b>	<b>310,318</b>	<b>362,460</b>	<b>39,198</b>	<b>168,520</b>
<b>Net Assets, End of Period</b>	<b>\$ 782,643</b>	<b>\$ 753,342</b>	<b>\$ 329,110</b>	<b>\$ 310,318</b>	<b>\$ 42,626</b>	<b>\$ 39,198</b>

(In thousands)	Growth		High Income		International Core Equity	
	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18
<b>INCREASE (DECREASE) IN NET ASSETS</b>						
<b>Operations:</b>						
Net investment income (loss)	\$ (277)	\$ (200)	\$ 29,176	\$ 57,825	\$ 9,467	\$ 13,342
Net realized gain (loss) on investments	39,406	187,073	438	(24,107)	(26,358)	58,736
Net change in unrealized appreciation (depreciation)	116,722	(147,341)	41,428	(51,073)	97,298	(216,635)
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>155,851</b>	<b>39,532</b>	<b>71,042</b>	<b>(17,355)</b>	<b>80,407</b>	<b>(144,557)</b>
<b>Distributions to Shareholders From:</b>						
Accumulated earnings: (combined net investment income and net realized gains)						
Class I	N/A	N/A	(3,156)	(3,506)	N/A	N/A
Class II	(186,937)	(99,828)	(55,287)	(56,012)	(70,370)	(32,980)
<b>Total Distributions to Shareholders</b>	<b>(186,937)</b>	<b>(99,828)</b>	<b>(58,443)</b>	<b>(59,518)</b>	<b>(70,370)</b>	<b>(32,980)</b>
<b>Capital Share Transactions</b>	<b>133,722</b>	<b>(153,936)</b>	<b>44,212</b>	<b>(19,488)</b>	<b>34,852</b>	<b>18,832</b>
<b>Net Increase (Decrease) in Net Assets</b>	<b>102,636</b>	<b>(214,232)</b>	<b>56,811</b>	<b>(96,361)</b>	<b>44,889</b>	<b>(158,705)</b>
<b>Net Assets, Beginning of Period</b>	<b>669,191</b>	<b>883,423</b>	<b>847,054</b>	<b>943,415</b>	<b>675,876</b>	<b>834,581</b>
<b>Net Assets, End of Period</b>	<b>\$ 771,827</b>	<b>\$ 669,191</b>	<b>\$ 903,865</b>	<b>\$ 847,054</b>	<b>\$ 720,765</b>	<b>\$ 675,876</b>

\*Not shown due to rounding.

<sup>(1)</sup>Consolidated Statements of Changes in Net Assets (See Note 5 in Notes to Financial Statements).

See Accompanying Notes to Financial Statements.

# STATEMENTS OF CHANGES IN NET ASSETS

IVY VIP

(In thousands)	Mid Cap Growth		Natural Resources		Science and Technology	
	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18
<b>INCREASE (DECREASE) IN NET ASSETS</b>						
<b>Operations:</b>						
Net investment income (loss)	\$ (769)	\$ (2,364)	\$ 1,019	\$ 837	\$ (959)	\$ (2,425)
Net realized gain (loss) on investments	19,335	158,437	(111)	2,092	29,570	136,933
Net change in unrealized appreciation (depreciation)	92,596	(136,340)	7,865	(30,405)	108,693	(144,970)
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>111,162</b>	<b>19,733</b>	<b>8,773</b>	<b>(27,476)</b>	<b>137,304</b>	<b>(10,462)</b>
<b>Distributions to Shareholders From:</b>						
Accumulated earnings: (combined net investment income and net realized gains)						
Class I	(35,378)	(6,483)	N/A	N/A	—	(85)
Class II	(46,820)	(23,180)	(870)	(351)	—	(65,600)
<b>Total Distributions to Shareholders</b>	<b>(82,198)</b>	<b>(29,663)</b>	<b>(870)</b>	<b>(351)</b>	<b>—</b>	<b>(65,685)</b>
Capital Share Transactions	73,610	(291,936)	(5,936)	(15,129)	(27,582)	(138,951)
<b>Net Increase (Decrease) in Net Assets</b>	<b>102,574</b>	<b>(301,866)</b>	<b>1,967</b>	<b>(42,956)</b>	<b>109,722</b>	<b>(215,098)</b>
Net Assets, Beginning of Period	414,014	715,880	88,440	131,396	429,666	644,764
Net Assets, End of Period	\$ 516,588	\$ 414,014	\$ 90,407	\$ 88,440	\$ 539,388	\$ 429,666

(In thousands)	Small Cap Core		Small Cap Growth	
	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18	Six months ended 6-30-19 (Unaudited)	Year ended 12-31-18
<b>INCREASE (DECREASE) IN NET ASSETS</b>				
<b>Operations:</b>				
Net investment loss	\$ (181)	\$ (857)	\$ (1,796)	\$ (1,836)
Net realized gain on investments	1,329	37,591	23,021	67,357
Net change in unrealized appreciation (depreciation)	33,323	(48,670)	58,692	(77,892)
<b>Net Increase (Decrease) in Net Assets Resulting from Operations</b>	<b>34,471</b>	<b>(11,936)</b>	<b>79,917</b>	<b>(12,371)</b>
<b>Distributions to Shareholders From:</b>				
Accumulated earnings: (combined net investment income and net realized gains)				
Class I	N/A	N/A	(855)	—
Class II	(36,690)	(56,235)	(5,061)	(117,993)
<b>Total Distributions to Shareholders</b>	<b>(36,690)</b>	<b>(56,235)</b>	<b>(5,916)</b>	<b>(117,993)</b>
Capital Share Transactions	27,196	(72,013)	(24,173)	105,572
<b>Net Increase (Decrease) in Net Assets</b>	<b>24,977</b>	<b>(140,184)</b>	<b>49,828</b>	<b>(24,792)</b>
Net Assets, Beginning of Period	175,357	315,541	352,027	376,819
Net Assets, End of Period	\$ 200,334	\$ 175,357	\$ 401,855	\$ 352,027

See Accompanying Notes to Financial Statements.

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FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) <sup>(1)</sup>	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
<b>Asset Strategy</b>							
<b>Class I Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	\$ 8.29	\$ 0.11	\$ 1.12	\$ 1.23	\$ — <sup>*</sup>	\$ (0.01)	\$ (0.01)
Year ended 12-31-2018	9.37	0.18	(0.67)	(0.49)	(0.20)	(0.39)	(0.59)
Year ended 12-31-2017 <sup>(4)</sup>	8.57	0.08	0.88	0.96	(0.16)	—	(0.16)
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	8.29	0.10	1.12	1.22	— <sup>*</sup>	(0.01)	(0.01)
Year ended 12-31-2018	9.37	0.16	(0.67)	(0.51)	(0.18)	(0.39)	(0.57)
Year ended 12-31-2017	8.04	0.03	1.44	1.47	(0.14)	—	(0.14)
Year ended 12-31-2016	8.30	0.06	(0.27)	(0.21)	(0.05)	—	(0.05)
Year ended 12-31-2015	10.87	0.08	(0.77)	(0.69)	(0.04)	(1.84)	(1.88)
Year ended 12-31-2014	13.25	0.11	(0.78)	(0.67)	(0.06)	(1.65)	(1.71)
<b>Balanced</b>							
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	7.46	0.06	0.86	0.92	(0.14)	(0.65)	(0.79)
Year ended 12-31-2018	7.95	0.12	(0.36)	(0.24)	(0.13)	(0.12)	(0.25)
Year ended 12-31-2017	7.47	0.12	0.70	0.82	(0.12)	(0.22)	(0.34)
Year ended 12-31-2016	8.76	0.11	0.00 <sup>*</sup>	0.11	(0.12)	(1.28)	(1.40)
Year ended 12-31-2015	10.19	0.12	(0.09)	0.03	(0.09)	(1.37)	(1.46)
Year ended 12-31-2014	10.46	0.09	0.64	0.73	(0.10)	(0.90)	(1.00)
<b>Energy</b>							
<b>Class I Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	3.88	0.01	0.35	0.36	—	—	—
Year ended 12-31-2018	5.87	0.00 <sup>*</sup>	(1.99)	(1.99)	—	—	—
Year ended 12-31-2017 <sup>(4)</sup>	5.84	0.06	0.02	0.08	(0.05)	—	(0.05)
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	3.87	0.00 <sup>*</sup>	0.36	0.36	—	—	—
Year ended 12-31-2018	5.87	(0.02)	(1.98)	(2.00)	—	—	—
Year ended 12-31-2017	6.77	0.04	(0.90)	(0.86)	(0.04)	—	(0.04)
Year ended 12-31-2016	5.04	(0.02)	1.76	1.74	(0.01)	—	(0.01)
Year ended 12-31-2015	6.51	0.00 <sup>*</sup>	(1.44)	(1.44)	—	(0.03)	(0.03)
Year ended 12-31-2014	7.50	(0.01)	(0.73)	(0.74)	—	(0.25)	(0.25)
<b>Growth</b>							
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	11.02	0.00 <sup>*</sup>	2.52	2.52	—	(3.26)	(3.26)
Year ended 12-31-2018	12.09	0.00 <sup>*</sup>	0.36	0.36	— <sup>*</sup>	(1.43)	(1.43)
Year ended 12-31-2017	10.30	0.01	2.84	2.85	(0.03)	(1.03)	(1.06)
Year ended 12-31-2016	11.42	0.03	0.03	0.06	—	(1.18)	(1.18)
Year ended 12-31-2015	12.08	0.00 <sup>*</sup>	0.85	0.85	(0.01)	(1.50)	(1.51)
Year ended 12-31-2014	13.33	0.01	1.28	1.29	(0.06)	(2.48)	(2.54)
<b>High Income</b>							
<b>Class I Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	3.35	0.12	0.16	0.28	(0.24)	—	(0.24)
Year ended 12-31-2018	3.65	0.23	(0.29)	(0.06)	(0.24)	—	(0.24)
Year ended 12-31-2017 <sup>(4)</sup>	3.73	0.16	(0.03)	0.13	(0.21)	—	(0.21)
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	3.34	0.11	0.16	0.27	(0.23)	—	(0.23)
Year ended 12-31-2018	3.64	0.22	(0.29)	(0.07)	(0.23)	—	(0.23)
Year ended 12-31-2017	3.61	0.23	0.01	0.24	(0.21)	—	(0.21)
Year ended 12-31-2016	3.35	0.24	0.28	0.52	(0.26)	—	(0.26)
Year ended 12-31-2015	3.85	0.26	(0.48)	(0.22)	(0.24)	(0.04)	(0.28)
Year ended 12-31-2014	4.00	0.25	(0.17)	0.08	(0.20)	(0.03)	(0.23)
<b>International Core Equity</b>							
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	14.66	0.20	1.49	1.69	(0.25)	(1.33)	(1.58)
Year ended 12-31-2018	18.58	0.30	(3.45)	(3.15)	(0.28)	(0.49)	(0.77)
Year ended 12-31-2017	15.30	0.23	3.29	3.52	(0.24)	—	(0.24)
Year ended 12-31-2016	15.53	0.24	(0.11)	0.13	(0.20)	(0.16)	(0.36)
Year ended 12-31-2015	18.00	0.20	(0.06)	0.14	(0.24)	(2.37)	(2.61)
Year ended 12-31-2014	19.75	0.24	0.10	0.34	(0.51)	(1.58)	(2.09)

<sup>\*</sup>Not shown due to rounding.

(1)Based on average weekly shares outstanding.

(2)Based on net asset value. Total returns do not reflect a 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 28, 2017 (commencement of operations of the class) through December 31, 2017.

(5)Annualized.

(6)Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended December 31, 2017.

	Net Asset Value, End of Period	Total Return <sup>(2)</sup>	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 <sup>(3)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver <sup>(3)</sup>	Portfolio Turnover Rate
<b>Asset Strategy</b>								
<b>Class I Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	\$ 9.51	14.95%	\$ 1	0.77% <sup>(5)</sup>	2.56% <sup>(5)</sup>	—%	—%	25%
Year ended 12-31-2018	8.29	-5.20	—	0.78	1.91	0.78	1.91	58
Year ended 12-31-2017 <sup>(4)</sup>	9.37	11.16	—	0.74 <sup>(5)</sup>	1.30 <sup>(5)</sup>	—	—	39 <sup>(6)</sup>
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	9.50	14.81	782	1.02 <sup>(5)</sup>	2.29 <sup>(5)</sup>	—	—	25
Year ended 12-31-2018	8.29	-5.44	753	1.03	1.65	—	—	58
Year ended 12-31-2017	9.37	18.27	936	1.02	0.35	—	—	39
Year ended 12-31-2016	8.04	-2.57	954	1.01	0.70	1.02	0.69	68
Year ended 12-31-2015	8.30	-8.35	1,268	0.98	0.81	0.99	0.80	70
Year ended 12-31-2014	10.87	-5.26	1,600	0.97	0.94	0.98	0.93	130
<b>Balanced</b>								
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	7.59	12.66	329	1.01 <sup>(5)</sup>	1.43 <sup>(5)</sup>	—	—	28
Year ended 12-31-2018	7.46	-3.24	310	1.01	1.55	—	—	54
Year ended 12-31-2017	7.95	11.37	362	1.01	1.54	—	—	48
Year ended 12-31-2016	7.47	2.03	361	1.01	1.53	—	—	54
Year ended 12-31-2015	8.76	-0.32	383	1.00	1.28	—	—	44
Year ended 12-31-2014	10.19	7.57	415	1.01	0.90	—	—	43
<b>Energy</b>								
<b>Class I Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	4.24	9.45	—	1.08 <sup>(5)</sup>	0.28 <sup>(5)</sup>	—	—	14
Year ended 12-31-2018	3.88	-33.96	—	0.94	-0.09	0.94	-0.09	37
Year ended 12-31-2017 <sup>(4)</sup>	5.87	1.55	—	0.92 <sup>(5)</sup>	1.70 <sup>(5)</sup>	—	—	22 <sup>(6)</sup>
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	4.23	9.31	43	1.33 <sup>(5)</sup>	0.04 <sup>(5)</sup>	—	—	14
Year ended 12-31-2018	3.87	-34.14	39	1.19	-0.41	—	—	37
Year ended 12-31-2017	5.87	-12.64	169	1.19	0.75	—	—	22
Year ended 12-31-2016	6.77	34.55	196	1.19	-0.27	—	—	31
Year ended 12-31-2015	5.04	-22.14	117	1.20	0.08	—	—	34
Year ended 12-31-2014	6.51	-10.56	118	1.18	-0.10	—	—	21
<b>Growth</b>								
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	10.28	23.92	772	1.00 <sup>(5)</sup>	-0.08 <sup>(5)</sup>	—	—	10
Year ended 12-31-2018	11.02	2.28	669	1.00	-0.02	—	—	37
Year ended 12-31-2017	12.09	29.34	883	0.99	0.05	—	—	41
Year ended 12-31-2016	10.30	1.22	835	0.98	0.26	1.00	0.24	53
Year ended 12-31-2015	11.42	7.17	897	0.96	0.03	0.99	—	30
Year ended 12-31-2014	12.08	11.81	871	0.96	0.10	0.99	0.07	26
<b>High Income</b>								
<b>Class I Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	3.39	8.51	47	0.67 <sup>(5)</sup>	6.83 <sup>(5)</sup>	—	—	21
Year ended 12-31-2018	3.35	-1.86	44	0.66	6.50	0.66	6.50	42
Year ended 12-31-2017 <sup>(4)</sup>	3.65	3.42	56	0.66 <sup>(5)</sup>	6.53 <sup>(5)</sup>	—	—	52 <sup>(6)</sup>
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	3.38	8.38	857	0.92 <sup>(5)</sup>	6.58 <sup>(5)</sup>	—	—	21
Year ended 12-31-2018	3.34	-2.11	803	0.91	6.27	—	—	42
Year ended 12-31-2017	3.64	6.68	887	0.91	6.22	—	—	52
Year ended 12-31-2016	3.61	16.19	845	0.89	6.97	0.92	6.94	36
Year ended 12-31-2015	3.35	-6.50	725	0.89	7.01	0.92	6.98	44
Year ended 12-31-2014	3.85	1.90	818	0.88	6.31	0.91	6.28	55
<b>International Core Equity</b>								
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	14.77	11.96	721	1.16 <sup>(5)</sup>	2.64 <sup>(5)</sup>	—	—	33
Year ended 12-31-2018	14.66	-17.81	676	1.16	1.70	—	—	51
Year ended 12-31-2017	18.58	23.16	835	1.16	1.33	—	—	59
Year ended 12-31-2016	15.30	1.08	736	1.17	1.60	—	—	77
Year ended 12-31-2015	15.53	-0.94	675	1.16	1.18	—	—	87
Year ended 12-31-2014	18.00	1.44	656	1.16	1.28	—	—	102

See Accompanying Notes to Financial Statements.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income (Loss) <sup>(1)</sup>	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
<b>Mid Cap Growth</b>							
<b>Class I Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	\$ 11.10	\$ (0.01)	\$ 2.91	\$ 2.90	\$ —	\$ (2.26)	\$ (2.26)
Year ended 12-31-2018	11.63	(0.02)	0.09	0.07	—	(0.60)	(0.60)
Year ended 12-31-2017 <sup>(4)</sup>	10.30	0.00 <sup>7</sup>	1.64	1.64	—	(0.31)	(0.31)
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	11.07	(0.03)	2.90	2.87	—	(2.26)	(2.26)
Year ended 12-31-2018	11.61	(0.05)	0.09	0.04	—	(0.58)	(0.58)
Year ended 12-31-2017	9.44	(0.04)	2.52	2.48	—	(0.31)	(0.31)
Year ended 12-31-2016	9.42	(0.01)	0.55	0.54	—	(0.52)	(0.52)
Year ended 12-31-2015	10.84	(0.01)	(0.52)	(0.53)	—	(0.89)	(0.89)
Year ended 12-31-2014	10.72	(0.04)	0.82	0.78	—	(0.66)	(0.66)
<b>Natural Resources</b>							
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	3.55	0.04	0.30	0.34	(0.04)	—	(0.04)
Year ended 12-31-2018	4.63	0.03	(1.10)	(1.07)	(0.01)	—	(0.01)
Year ended 12-31-2017	4.50	0.00 <sup>7</sup>	0.14	0.14	(0.01)	—	(0.01)
Year ended 12-31-2016	3.66	0.01	0.86	0.87	(0.03)	—	(0.03)
Year ended 12-31-2015	4.72	0.02	(1.08)	(1.06)	—	—	—
Year ended 12-31-2014	5.43	0.01	(0.72)	(0.71)	—	—	—
<b>Science and Technology</b>							
<b>Class I Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	21.91	(0.02)	7.23	7.21	—	—	—
Year ended 12-31-2018	27.04	(0.03)	(1.24)	(1.27)	—	(3.86)	(3.86)
Year ended 12-31-2017 <sup>(4)</sup>	25.22	(0.04)	4.16	4.12	—	(2.30)	(2.30)
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	21.84	(0.05)	7.20	7.15	—	—	—
Year ended 12-31-2018	27.04	(0.11)	(1.23)	(1.34)	—	(3.86)	(3.86)
Year ended 12-31-2017	22.34	(0.13)	7.08	6.95	—	(2.25)	(2.25)
Year ended 12-31-2016	22.96	(0.11)	0.34	0.23	—	(0.85)	(0.85)
Year ended 12-31-2015	25.02	(0.15)	(0.41)	(0.56)	—	(1.50)	(1.50)
Year ended 12-31-2014	26.58	(0.13)	0.74	0.61	—	(2.17)	(2.17)
<b>Small Cap Core</b>							
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	13.51	(0.01)	2.64	2.63	—	(2.92)	(2.92)
Year ended 12-31-2018	18.32	(0.06)	(1.37)	(1.43)	(0.02)	(3.36)	(3.38)
Year ended 12-31-2017	18.34	0.00 <sup>7</sup>	2.21	2.21	—	(2.23)	(2.23)
Year ended 12-31-2016	15.66	0.01	4.17	4.18	(0.07)	(1.43)	(1.50)
Year ended 12-31-2015	17.98	0.05	(0.95)	(0.90)	(0.02)	(1.40)	(1.42)
Year ended 12-31-2014	19.90	(0.01)	1.19	1.18	(0.02)	(3.08)	(3.10)
<b>Small Cap Growth</b>							
<b>Class I Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	7.69	(0.03)	1.81	1.78	—	(0.14)	(0.14)
Year ended 12-31-2018 <sup>(5)</sup>	8.76	0.00 <sup>7</sup>	(1.07)	(1.07)	—	—	—
<b>Class II Shares</b>							
Six-month period ended 6-30-2019 (unaudited)	7.68	(0.04)	1.81	1.77	—	(0.14)	(0.14)
Year ended 12-31-2018	11.63	(0.06)	0.03	(0.03)	(0.05)	(3.87)	(3.92)
Year ended 12-31-2017	9.69	(0.07)	2.27	2.20	—	(0.26)	(0.26)
Year ended 12-31-2016	10.60	(0.07)	0.23	0.16	—	(1.07)	(1.07)
Year ended 12-31-2015	12.15	(0.09)	0.51	0.42	—	(1.97)	(1.97)
Year ended 12-31-2014	13.76	(0.10)	0.11	0.01	—	(1.62)	(1.62)

\*Not shown due to rounding.

(1)Based on average weekly shares outstanding.

(2)Based on net asset value. Total returns do not reflect a 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 28, 2017 (commencement of operations of the class) through December 31, 2017.

(5)For the period from November 5, 2018 (commencement of operations of the class) through December 31, 2018.

(6)Annualized.

(7)Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended December 31, 2017.

(8)Portfolio turnover is calculated at the fund level. Percentage indicated was calculated for the period ended December 31, 2018.

(9)Expense ratio based on the period excluding reorganization expenses was 0.89%.

(10)Expense ratio based on the period excluding reorganization expenses was 1.14%.

	Net Asset Value, End of Period	Total Return <sup>(2)</sup>	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 <sup>(3)</sup>	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver <sup>(3)</sup>	Portfolio Turnover Rate
<b>Mid Cap Growth</b>								
<b>Class I Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	\$ 11.74	27.13%	\$ 218	0.85% <sup>(6)</sup>	-0.18% <sup>(6)</sup>	0.90% <sup>(6)</sup>	-0.23% <sup>(6)</sup>	11%
Year ended 12-31-2018	11.10	0.20	184	0.85	-0.14	0.90	-0.19	53
Year ended 12-31-2017 <sup>(4)</sup>	11.63	16.44	131	0.85 <sup>(6)</sup>	0.05 <sup>(6)</sup>	0.89 <sup>(6)</sup>	0.01 <sup>(6)</sup>	25 <sup>(7)</sup>
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	11.68	26.98	299	1.10 <sup>(6)</sup>	-0.43 <sup>(6)</sup>	1.16 <sup>(6)</sup>	-0.49 <sup>(6)</sup>	11
Year ended 12-31-2018	11.07	-0.06	230	1.10	-0.42	1.15	-0.47	53
Year ended 12-31-2017	11.61	26.89	585	1.11	-0.39	1.15	-0.43	25
Year ended 12-31-2016	9.44	6.12	615	1.10	-0.09	1.15	-0.14	33
Year ended 12-31-2015	9.42	-5.78	586	1.10	-0.07	1.15	-0.12	42
Year ended 12-31-2014	10.84	7.87	557	1.10	-0.34	1.15	-0.39	43
<b>Natural Resources</b>								
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	3.85	9.77	90	1.25 <sup>(6)</sup>	2.20 <sup>(6)</sup>	—	—	10
Year ended 12-31-2018	3.55	-23.23	88	1.21	0.72	—	—	33
Year ended 12-31-2017	4.63	2.97	131	1.36	0.11	—	—	44
Year ended 12-31-2016	4.50	23.81	144	1.36	0.20	—	—	67
Year ended 12-31-2015	3.66	-22.39	114	1.35	0.54	—	—	34
Year ended 12-31-2014	4.72	-13.04	146	1.33	0.12	—	—	31
<b>Science and Technology</b>								
<b>Class I Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	29.12	32.91	— <sup>*</sup>	0.91 <sup>(6)</sup>	-0.14 <sup>(6)</sup>	—	—	15
Year ended 12-31-2018	21.91	-5.00	1	0.91	-0.11	0.91	-0.11	17
Year ended 12-31-2017 <sup>(4)</sup>	27.04	17.24	— <sup>*</sup>	0.90 <sup>(6)</sup>	-0.25 <sup>(6)</sup>	—	—	27 <sup>(7)</sup>
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	28.99	32.75	539	1.16 <sup>(6)</sup>	-0.39 <sup>(6)</sup>	—	—	15
Year ended 12-31-2018	21.84	-5.23	429	1.16	-0.38	—	—	17
Year ended 12-31-2017	27.04	32.12	645	1.15	-0.51	—	—	27
Year ended 12-31-2016	22.34	1.54	514	1.15	-0.52	1.17	-0.54	16
Year ended 12-31-2015	22.96	-2.88	582	1.13	-0.60	1.15	-0.62	25
Year ended 12-31-2014	25.02	2.91	586	1.13	-0.51	1.15	-0.53	29
<b>Small Cap Core</b>								
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	13.22	19.82	200	1.18 <sup>(6)</sup>	-0.19 <sup>(6)</sup>	—	—	28
Year ended 12-31-2018	13.51	-10.49	175	1.17	-0.34	—	—	112
Year ended 12-31-2017	18.32	13.73	316	1.15	0.01	—	—	112
Year ended 12-31-2016	18.34	28.88	348	1.16	0.08	—	—	182
Year ended 12-31-2015	15.66	-5.58	318	1.15	0.26	—	—	142
Year ended 12-31-2014	17.98	7.05	354	1.15	-0.10	—	—	81
<b>Small Cap Growth</b>								
<b>Class I Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	9.33	23.24	58	0.89 <sup>(6)</sup>	-0.71 <sup>(6)</sup>	0.91 <sup>(6)</sup>	-0.73 <sup>(6)</sup>	23
Year ended 12-31-2018 <sup>(5)</sup>	7.69	-12.24	52	1.05 <sup>(6)(9)</sup>	0.15 <sup>(6)</sup>	1.07 <sup>(6)</sup>	0.13 <sup>(6)</sup>	52 <sup>(8)</sup>
<b>Class II Shares</b>								
Six-month period ended 6-30-2019 (unaudited)	9.31	23.08	344	1.14 <sup>(6)</sup>	-0.95 <sup>(6)</sup>	1.17 <sup>(6)</sup>	-0.98 <sup>(6)</sup>	23
Year ended 12-31-2018	7.68	-4.11	300	1.16 <sup>(10)</sup>	-0.52	1.18	-0.54	52
Year ended 12-31-2017	11.63	23.12	377	1.15	-0.69	1.17	-0.71	55
Year ended 12-31-2016	9.69	2.92	426	1.14	-0.79	1.16	-0.81	107
Year ended 12-31-2015	10.60	1.88	430	1.13	-0.76	1.15	-0.78	102
Year ended 12-31-2014	12.15	1.59	426	1.14	-0.80	1.16	-0.82	85

See Accompanying Notes to Financial Statements.

JUNE 30, 2019 (UNAUDITED)

## 1. ORGANIZATION

Ivy Variable Insurance Portfolios, 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. Asset Strategy, Balanced, Energy, Growth, High Income, International Core Equity, Mid Cap Growth, Natural Resources, Science and Technology, Small Cap Core and Small Cap Growth (each, a "Portfolio") are eleven series of the Trust and are the only series of the Trust included in these financial statements. The assets belonging to each Portfolio are held separately by the custodian. The investment objective, policies and risk factors of each Portfolio are described more fully in the Prospectus and Statement of Additional Information ("SAI"). Each Portfolio's investment adviser is Ivy Investment Management Company ("IICO").

Each Portfolio offers Class II shares. Asset Strategy, Energy, High Income, Mid Cap Growth, Science and Technology and Small Cap Growth also offer Class I shares. All classes of shares have identical rights and voting privileges with respect to the Portfolio in general and exclusive voting rights on matters that affect that class alone. Net investment income, net assets and net asset value per share ("NAV") may differ due to each class having its own expenses, such as transfer agent and shareholder servicing fees, directly attributable to that class. Class II shares have a distribution and service plan. Class I shares are not included in the plan.

## 2. SIGNIFICANT ACCOUNTING POLICIES

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

**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 Portfolio 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 Portfolio'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 Portfolio 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.

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

**Income Taxes.** It is the policy of each Portfolio 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 Portfolio intends to pay distributions as required to avoid imposition of excise tax. Accordingly, no provision has been made for Federal income taxes. The Portfolios file income tax returns in U.S. federal and applicable state jurisdictions. The Portfolios' 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.

**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 Portfolio 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 Portfolio 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 Portfolios 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 Portfolios 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 Portfolios may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Portfolios; 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 Portfolios may be exposed to counterparty credit risk, or the risk that an entity with which the Portfolios have unsettled or open transactions may fail to or be unable to perform on its commitments. The Portfolios 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 Portfolios to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Portfolios’ exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded on the Portfolios’ Statement of Assets and Liabilities, less any collateral held by the Portfolios.

Certain Portfolios 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 Portfolios may acquire securities in default and are not obligated to dispose of securities whose issuers subsequently default.

Certain Portfolios 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 Portfolio 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 Portfolio, or, in the case of hedging positions, that the Portfolio’s base currency will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad.

**Inflation-Indexed Bonds.** Certain Portfolios 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 Portfolios 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 Portfolio’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 Portfolio 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 Portfolio purchases a participation of a loan interest, the Portfolio 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 Portfolio generally has no direct right to enforce compliance with the terms of the loan agreement. As a result, the Portfolio assumes the credit risk of the Borrower, the selling participant, and any other persons that are interpositioned between the Portfolio 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 Portfolio may incur certain costs and delays in receiving payment or may suffer a loss of principal and interest.

**Payment In-Kind Securities.** Certain Portfolios 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 Portfolios 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 Portfolio 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 Portfolio’s NAV to the extent the Portfolio executes such transactions while remaining substantially fully invested. When a Portfolio 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 Portfolio to lose the opportunity to obtain or dispose of the security at a price and yield IICO, or the Portfolio’s investment subadviser, as applicable, consider advantageous. The Portfolio maintains internally designated assets with a value equal to or greater than the amount of its purchase commitments. The Portfolio 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 Portfolio 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 Portfolio pays interest to its custodian on such cash overdrafts, to the extent they are not offset by positive cash balances maintained by that Portfolio. The “Earnings credit” line item, if shown, represents earnings on cash balances maintained by that Portfolio 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 Portfolio 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 August 2018, the FASB issued ASU 2018-13, Fair Value Measurement (Topic 820). The amendments in the ASU impact disclosure requirements for fair value measurement. It is anticipated that this change will enhance the effectiveness of disclosures in the notes to the financial statements. This ASU is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted and can include the entire standard or certain provisions that exclude or amend disclosures. For the period ended June 30, 2019, the Portfolios have chosen to adopt the standard. The adoption of this ASU is reflected in the disclosures of the financial statements.

**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 Portfolio's investments are reported at fair value. Fair value is defined as the price that each Portfolio 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 Portfolio 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 Portfolio'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 Portfolio'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 Portfolio 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 Portfolio 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 Portfolios' major classes of assets and liabilities measured at fair value on a recurring basis follows:

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

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

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

**Derivative Instruments.** Forward foreign currency contracts are valued based upon the closing prices of the forward currency rates determined at the close of the NYSE, 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.

**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 Portfolio.

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 June 30, 2019, 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 Portfolios use derivative instruments, the associated risks of investing in derivative instruments, and how derivative instruments affect the Portfolios' financial positions and results of operations.

**Forward Foreign Currency Contracts.** All Portfolios are authorized to 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 Portfolio 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 Portfolio's maximum loss will consist of the aggregate unrealized gain on appreciated contracts that is not collateralized.

High Income, International Core Equity and Natural Resources 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).

**Option Contracts.** Options purchased by a Portfolio 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 Portfolio writes (sells) an option, an amount equal to the premium received by the Portfolio 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 Portfolio enters into a closing purchase transaction, the Portfolio 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 Portfolio has realized a gain or loss. When a written put is exercised, the cost basis of the instruments purchased by a Portfolio 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 Portfolio's exposure to the underlying instrument. With written options, there may be times when a Portfolio 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 Portfolio, 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 Portfolio enters into OTC option transactions with counterparties, the Portfolio 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.

Asset Strategy, Mid Cap Growth and Science and Technology 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.** All Portfolios are authorized to invest in swap agreements. Swap agreements are bilaterally negotiated agreements between a Portfolio 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. Payments received or made by the Portfolio 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 Portfolio may be required to deposit initial margin with a 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.

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 Portfolio will receive a payment from or make a payment to the counterparty.

Asset Strategy, International Core Equity and Small Cap Growth enter into total return swaps to hedge exposure to a security or market.

The creditworthiness of the counterparty with which a Portfolio 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 Portfolio will have contractual remedies pursuant to the agreement related to the transaction. The maximum loss a Portfolio 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 Portfolio 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 Portfolio and each of its counterparties. Although it is not possible to eliminate credit risk entirely, the CSA allows the Portfolio 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 Portfolio’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 Portfolio 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 June 30, 2019:

## Assets

Portfolio	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
<b>High Income</b>							
Unrealized appreciation on forward foreign currency contracts <sup>(1)</sup>	\$ 178	\$—	\$ 178	\$ —*	\$ —	\$ (178)	\$—
<b>International Core Equity</b>							
Unrealized appreciation on forward foreign currency contracts	\$1,704	\$—	\$1,704	\$(1,704)	\$ —	\$ —	\$—
<b>Natural Resources</b>							
Unrealized appreciation on forward foreign currency contracts <sup>(1)</sup>	\$ 483	\$—	\$ 483	\$ (19)	\$(464)	\$ —	\$—
<b>Small Cap Growth</b>							
Swap agreements, at value	\$ 525	\$—	\$ 525	\$ —	\$ —	\$(525)	\$—

\*Not shown due to rounding.

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

## Liabilities

Portfolio	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
<b>High Income</b>							
Unrealized depreciation on forward foreign currency contracts <sup>(1)</sup>	\$ 5	\$—	\$ 5	\$ —*	\$ —	\$—	\$ 5
<b>International Core Equity</b>							
Unrealized depreciation on forward foreign currency contracts <sup>(1)</sup>	\$2,878	\$—	\$2,878	\$(1,704)	\$(881)	\$—	\$293
<b>Natural Resources</b>							
Unrealized depreciation on forward foreign currency contracts	\$ 22	\$—	\$ 22	\$ (19)	\$ —	\$—	\$ 3

\*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 June 30, 2019:

Portfolio	Type of Risk Exposure	Assets		Liabilities	
		Statement of Assets & Liabilities Location	Value	Statement of Assets & Liabilities Location	Value
High Income	Foreign currency		\$ —	Unrealized depreciation on forward foreign currency contracts	\$ 3
International Core Equity	Foreign currency	Unrealized appreciation on forward foreign currency contracts	1,704		—
Natural Resources	Foreign currency	Unrealized appreciation on forward foreign currency contracts	468	Unrealized depreciation on forward foreign currency contracts	22
Small Cap Growth	Equity	Swap agreements, at value	525		—

Amount of realized gain (loss) on derivatives recognized on the Statement of Operations for the period ended June 30, 2019:

Portfolio	Type of Risk Exposure	Net realized gain (loss) on:					Forward foreign currency contracts	Total
		Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options			
Asset Strategy	Equity	\$ 267	\$569	\$—	\$ —	\$ —	\$ 836	
High Income	Foreign currency	—	—	—	—	34	34	
International Core Equity	Equity	—	201	—	—	—	201	
	Foreign currency	—	—	—	—	(2,621)	(2,621)	
Mid Cap Growth	Equity	(278)	—	—	135	—	(143)	
Natural Resources	Foreign currency	—	—	—	—	183	183	
Science and Technology	Equity	4,085	—	—	(2,701)	—	1,384	
Small Cap Growth	Equity	—	547	—	—	—	547	

\*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 period ended June 30, 2019:

Portfolio	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			
High Income	Foreign currency	\$—	\$ —	\$—	\$—	\$ (17)	\$ (17)	
International Core Equity	Equity	—	(46)	—	—	—	(46)	
	Foreign currency	—	—	—	—	2,052	2,052	
Natural Resources	Foreign currency	—	—	—	—	20	20	
Small Cap Growth	Equity	—	1,837	—	—	—	1,837	

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

During the period ended June 30, 2019, the average derivative volume was as follows:

Portfolio	Forward foreign currency contracts <sup>(1)</sup>	Long futures contracts <sup>(2)</sup>	Short futures contracts <sup>(2)</sup>	Swap agreements <sup>(3)</sup>	Purchased options <sup>(2)</sup>	Written options <sup>(2)</sup>
Asset Strategy	\$ —	\$—	\$—	\$ 1,798	\$ 43	\$ —
High Income	3	—	—	—	—	—
International Core Equity	856	—	—	313	—	—
Mid Cap Growth	—	—	—	—	—	8
Natural Resources	54	—	—	—	—	—
Science and Technology	—	—	—	—	843	336
Small Cap Growth	—	—	—	11,557	—	—

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

<sup>(2)</sup>Average value outstanding during the period.

<sup>(3)</sup>Average notional amount outstanding during the period.

## 5. BASIS FOR CONSOLIDATION OF THE ASSET STRATEGY PORTFOLIO (\$ amounts in thousands)

Ivy VIP ASF II, Ltd. (the “Subsidiary”), a Cayman Islands exempted company, was incorporated as a wholly owned subsidiary acting as an investment vehicle for Ivy VIP Asset Strategy (referred to as “the Portfolio” in this subsection). VIP ASF III (SBP), LLC (the “Company”), a Delaware limited liability company, was incorporated as a wholly owned company acting as an investment vehicle for the Portfolio. The Subsidiary and the Company act as an investment vehicle for the Portfolio, in order to effect certain investments for the Portfolio consistent with the Portfolio’s investment objectives and policies as specified in its prospectus and SAI.

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

See the table below for details regarding the structure, incorporation and relationship as of June 30, 2019 of the Subsidiary and the Company to the Portfolio (amounts in thousands).

Subsidiary/Company	Date of Incorporation	Subscription Agreement	Portfolio Net Assets	Subsidiary/Company Net Assets	Percentage of Portfolio Net Assets
Ivy VIP ASF II, Ltd.	1-31-13	4-10-13	\$782,643	\$41,240	5.27%
VIP ASF III (SBP), LLC	4-9-13	4-23-13	782,643	604	0.08

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

**Management Fees.** IICO, a wholly owned subsidiary of Waddell & Reed, Inc. (“W&R”), serves as each Portfolio’s investment adviser. The management fee is accrued daily by each Portfolio at the following annual rates as a percentage of average daily net assets:

Portfolio (M – Millions)	\$0 to \$500M	\$500 to \$1,000M	\$1,000 to \$1,500M	\$1,500 to \$2,000M	\$2,000 to \$3,000M	\$3,000 to \$5,000M	\$5,000 to \$10,000M	Over \$10,000M
Asset Strategy	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
Balanced	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
Energy	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Growth	0.700	0.700	0.650	0.650	0.600	0.550	0.550	0.550
High Income	0.625	0.600	0.550	0.500	0.500	0.500	0.500	0.500
International Core Equity	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Mid Cap Growth	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Natural Resources	0.850	0.850	0.830	0.830	0.800	0.760	0.730	0.700
Science and Technology	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Small Cap Core	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760
Small Cap Growth	0.850	0.850	0.830	0.830	0.800	0.760	0.760	0.760

IICO has voluntarily agreed to waive a Portfolio’s investment management fee on any Portfolio that is not subadvised on any day that the Portfolio’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 for more information.

**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 Portfolio 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 Portfolios are shown on the Statement of Operations.

**Accounting Services Fees.** The Trust has an Accounting and Administrative Services Agreement with Waddell & Reed Services Company (“WRSCO”), doing business as WI Services Company (“WISC”), an affiliate of W&R. Under the agreement, WISC acts as the agent in providing bookkeeping and accounting services and assistance to the Trust, including maintenance of Portfolio records, pricing of Portfolio shares and preparation of certain shareholder reports. For these services, each Portfolio 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

Each Portfolio 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 Portfolio’s net assets are at least \$10 million and is included in “Accounting services fee” on the Statement of Operations.

**Shareholder Servicing.** Under the Transfer Agency Agreement between the Trust and WISC, each Portfolio reimburses WISC for certain out-of-pocket costs.

**Service Plan. Class II.** Under a Service Plan adopted by the Trust pursuant to Rule 12b-1 under the 1940 Act, each Portfolio may pay a service fee to W&R for Class II shares in an amount not to exceed 0.25% of the Portfolio’s average annual net assets. The fee is to be paid to compensate W&R for amounts it expends in connection with the provision of personal services to Policyowners and/or maintenance of Policyowner accounts.

**Expense Reimbursements and/or Waivers.** IICO, the Portfolios’ investment manager, IDI, the Portfolios’ distributor, and/or Waddell & Reed Services Company, doing business as WISC, the Portfolios’ 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). Portfolio and class expense limitations and related waivers/reimbursements for the period ended June 30, 2019 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
Asset Strategy	Class I	Contractual	4-28-2017	4-30-2020	Class II less 0.25%	\$ —	N/A
Energy	Class I	Contractual	4-28-2017	4-30-2020	Class II less 0.25%	\$ —	N/A
High Income	Class I	Contractual	4-28-2017	4-30-2020	Class II less 0.25%	\$ —	N/A
Mid Cap Growth	All Classes	Contractual	4-28-2017	4-30-2020	N/A	\$135 <sup>(1)</sup>	Investment Management Fee
	Class I	Contractual	4-28-2017	4-30-2020	0.85%	\$ —*	Shareholder Servicing
	Class I	Contractual	4-28-2017	4-30-2020	Class II less 0.25%	\$ —	N/A
	Class II	Contractual	5-1-2012	4-30-2020	1.10%	\$ 9	12b-1 Fees and/or Shareholder Servicing
Science and Technology	Class I	Contractual	4-28-2017	4-30-2020	Class II less 0.25%	\$ —	N/A
Small Cap Growth	All Classes	Contractual	4-28-2017	4-30-2020	N/A	\$ 45 <sup>(1)</sup>	Investment Management Fee
	Class I	Contractual	11-5-2018	4-30-2020	Class II less 0.25%	\$ —*	Shareholder Servicing
	Class II	Contractual	10-1-2016	4-30-2020	1.14%	\$ 9	12b-1 Fees and/or Shareholder Servicing

\*Not shown due to rounding.

<sup>(1)</sup>Due to Class I and/or Class II contractual expense limits, investment management fees were waived for all share classes.

Any amounts due to the Portfolios as a reimbursement but not paid as of June 30, 2019 are shown as a receivable from affiliates on the Statement of Assets and Liabilities.

## 7. 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 7) 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 period ended June 30, 2019.

## 8. AFFILIATED COMPANY TRANSACTIONS (All amounts in thousands)

A summary of the transactions in affiliated companies during the period ended June 30, 2019 follows:

Portfolio	12-31-18 Share Balance	Gross Additions	Gross Reductions	Realized Gain/ (Loss)	Distributions Received	6-30-19 Share Balance	6-30-19 Value	Net Change in Unrealized Appreciation
High Income								
Larchmont Resources LLC <sup>(1)</sup>	1	\$—	\$—	\$—	\$—	1	\$252	\$ —
	12-31-18 Principal Balance				Interest Received	6-30-19 Principal Balance		Net Change in Unrealized Depreciation
Larchmont Resources LLC (9.460% Cash or 9.460% PIK), 9.460%, 8-7-20	\$817	\$ —	\$(56)	\$ 1	\$41	\$757	\$705	\$(34)

<sup>(1)</sup>No dividends were paid during the preceding 12 months.

## 9. 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 period ended June 30, 2019, were as follows:

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Asset Strategy	\$ 2,041	\$175,574	\$ 1,918	\$252,434
Balanced	26,409	61,744	12,568	95,099
Energy	—	7,006	—	6,125
Growth	—	74,841	—	126,263
High Income	—	177,535	—	173,940
International Core Equity	—	218,919	—	265,734
Mid Cap Growth	—	51,496	—	67,588
Natural Resources	—	8,922	—	13,221
Science and Technology	—	73,785	—	116,491
Small Cap Core	—	105,274	—	111,094
Small Cap Growth	—	84,580	—	111,012

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

The Portfolios may lend their portfolio securities only to borrowers that are approved by the Portfolio's securities lending agent, The Bank of New York Mellon ("BNYM"). The borrower pledges and maintains with the Portfolio collateral consisting of cash or securities issued or guaranteed by the U.S. government. The collateral received by the Portfolio 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, except in the case of loans of foreign securities which are denominated and payable in U.S. Dollars, in which case the collateral is required to have a value of at least 102% of the market value of the loaned securities. 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 Portfolio and any excess collateral is returned by the Portfolio on the next business day. During the term of the loan, the Portfolio 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 Portfolio'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 Portfolio's Statement of Assets and Liabilities as it is held by the lending agent on behalf of the Portfolio and the Portfolio does not have the ability to re-hypothecate these securities. The securities on loan for each Portfolio are also disclosed in its Schedule of Investments. The total value of any securities on loan as of June 30, 2019 and the total value of the related cash collateral are disclosed in the Statement of Assets and Liabilities. Income earned by the Portfolios from securities lending activity is disclosed in the Statements of Operations.

The following is a summary of each Portfolio's securities lending positions and related cash and non-cash collateral received as of June 30, 2019:

Portfolio	Market Value of Securities on Loan	Cash Collateral Received	Non-Cash Collateral Received	Total Collateral Received
Balanced	\$ 4,554	\$ 671	\$ 3,980	\$ 4,651
Energy	1,155	1,185	—	1,185
High Income	4,642	2,597	2,157	4,754
International Core Equity	7,855	8,253	—	8,253
Mid Cap Growth	10,297	—	10,505	10,505
Natural Resources	2,291	1,360	979	2,339
Science and Technology	18,736	6,572	12,606	19,178
Small Cap Core	1,073	1,095	—	1,095
Small Cap Growth	17,656	5,005	13,022	18,027

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 Portfolios 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 Portfolio could suffer a loss if the value of the investments purchased with cash collateral falls below the value of the cash collateral received.

## 11. CAPITAL SHARE TRANSACTIONS (All amounts in thousands)

The Trust has authorized an unlimited number of no par value shares of beneficial interest. Transactions in shares of beneficial interest were as follows:

	Asset Strategy				Balanced			
	Six months ended		Year ended		Six months ended		Year ended	
	6-30-19 (Unaudited)	Value	12-31-18	Value	6-30-19 (Unaudited)	Value	12-31-18	Value
Shares issued from sale of shares:	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Class I	—	\$ —	1	\$ 9	N/A	N/A	N/A	N/A
Class II	942	8,404	3,140	29,977	756	\$ 5,980	1,416	\$ 11,226
Shares issued in reinvestment of distributions to shareholders:								
Class I	—*	—*	2	18	N/A	N/A	N/A	N/A
Class II	145	1,322	5,872	49,202	4,279	31,681	1,388	10,863
Shares redeemed:								
Class I	—*	—*	—*	—*	N/A	N/A	N/A	N/A
Class II	(9,592)	(86,141)	(18,070)	(171,936)	(3,273)	(25,779)	(6,760)	(53,838)
<b>Net increase (decrease)</b>	<b>(8,505)</b>	<b>\$ (76,415)</b>	<b>(9,055)</b>	<b>\$ (92,730)</b>	<b>1,762</b>	<b>\$ 11,882</b>	<b>(3,956)</b>	<b>\$ (31,749)</b>

  

	Energy				Growth			
	Six months ended		Year ended		Six months ended		Year ended	
	6-30-19 (Unaudited)	Value	12-31-18	Value	6-30-19 (Unaudited)	Value	12-31-18	Value
Shares issued from sale of shares:	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Class I	5	\$ 21	8	\$ 32	N/A	N/A	N/A	N/A
Class II	2,137	9,230	5,435	31,159	485	\$ 5,813	1,679	\$ 20,421
Shares issued in reinvestment of distributions to shareholders:								
Class I	—	—	—	—	N/A	N/A	N/A	N/A
Class II	—	—	—	—	18,896	186,937	8,478	99,828
Shares redeemed:								
Class I	(4)	(16)	—*	—*	N/A	N/A	N/A	N/A
Class II	(2,189)	(9,583)	(24,018)	(137,602)	(4,987)	(59,028)	(22,501)	(274,185)
<b>Net increase (decrease)</b>	<b>(51)</b>	<b>\$ (348)</b>	<b>(18,575)</b>	<b>\$ (106,411)</b>	<b>14,394</b>	<b>\$ 133,722</b>	<b>(12,344)</b>	<b>\$ (153,936)</b>

\*Not shown due to rounding.

	High Income				International Core Equity			
	Six months ended 6-30-19 (Unaudited)		Year ended 12-31-18		Six months ended 6-30-19 (Unaudited)		Year ended 12-31-18	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class I	684	\$ 2,434	1,713	\$ 5,956	N/A	N/A	N/A	N/A
Class II	14,398	50,021	32,626	116,310	818	\$ 12,554	4,963	\$ 83,359
Shares issued in reinvestment of distributions to shareholders:								
Class I	936	3,156	1,015	3,506	N/A	N/A	N/A	N/A
Class II	16,419	55,287	16,234	56,012	4,945	70,370	1,813	32,980
Shares redeemed:								
Class I	(1,111)	(3,882)	(4,836)	(16,926)	N/A	N/A	N/A	N/A
Class II	(18,011)	(62,804)	(52,101)	(184,346)	(3,055)	(48,072)	(5,580)	(97,507)
<b>Net increase (decrease)</b>	<b>13,315</b>	<b>\$ 44,212</b>	<b>(5,349)</b>	<b>\$ (19,488)</b>	<b>2,708</b>	<b>\$ 34,852</b>	<b>1,196</b>	<b>\$ 18,832</b>
	Mid Cap Growth				Natural Resources			
	Six months ended 6-30-19 (Unaudited)		Year ended 12-31-18		Six months ended 6-30-19 (Unaudited)		Year ended 12-31-18	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class I	109	\$ 1,367	7,297	\$ 90,379	N/A	N/A	N/A	N/A
Class II	3,277	40,729	7,032	87,767	1,825	\$ 7,032	3,428	\$ 15,087
Shares issued in reinvestment of distributions to shareholders:								
Class I	3,171	35,378	534	6,483	N/A	N/A	N/A	N/A
Class II	4,217	46,820	1,911	23,180	229	870	75	351
Shares redeemed:								
Class I	(1,351)	(17,122)	(2,531)	(31,811)	N/A	N/A	N/A	N/A
Class II	(2,621)	(33,562)	(38,548)	(467,934)	(3,541)	(13,838)	(6,932)	(30,567)
<b>Net increase (decrease)</b>	<b>6,802</b>	<b>\$ 73,610</b>	<b>(24,305)</b>	<b>\$ (291,936)</b>	<b>(1,487)</b>	<b>\$ (5,936)</b>	<b>(3,429)</b>	<b>\$ (15,129)</b>
	Science and Technology				Small Cap Core			
	Six months ended 6-30-19 (Unaudited)		Year ended 12-31-18		Six months ended 6-30-19 (Unaudited)		Year ended 12-31-18	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class I	2	\$ 43	6	\$ 184	N/A	N/A	N/A	N/A
Class II	1,088	28,793	2,736	79,209	285	\$ 4,165	841	\$ 13,662
Shares issued in reinvestment of distributions to shareholders:								
Class I	—	—	4	85	N/A	N/A	N/A	N/A
Class II	—	—	2,937	65,600	2,817	36,690	3,561	56,235
Shares redeemed:								
Class I	—*	(9)	(1)	(26)	N/A	N/A	N/A	N/A
Class II	(2,158)	(56,409)	(9,856)	(284,003)	(928)	(13,659)	(8,646)	(141,910)
<b>Net increase (decrease)</b>	<b>(1,068)</b>	<b>\$ (27,582)</b>	<b>(4,174)</b>	<b>\$ (138,951)</b>	<b>2,174</b>	<b>\$ 27,196</b>	<b>(4,244)</b>	<b>\$ (72,013)</b>

\*Not shown due to rounding.

Small Cap Growth

	Six months ended		Year ended	
	6-30-19 (Unaudited)		12-31-18	
	Shares	Value	Shares	Value
Shares issued from sale of shares:				
Class I	33	\$ 290	6,845	\$ 58,514
Class II	1,214	10,732	3,202	32,902
Shares issued in connection with merger:				
Class I	N/A	N/A	56	487
Class II	N/A	N/A	9,666	84,646
Shares issued in reinvestment of distributions to shareholders:				
Class I	94	855	—	—
Class II	561	5,061	12,302	117,993
Shares redeemed:				
Class I	(676)	(6,056)	(123)	(980)
Class II	(3,909)	(35,055)	(18,536)	(187,990)
Net increase (decrease)	(2,683)	\$ (24,173)	13,412	\$ 105,572

## 12. COMMITMENTS

Bridge loan commitments may obligate a Portfolio to furnish temporary financing to a borrower until permanent financing can be arranged. In connection with these commitments, the Portfolio earns a commitment fee, typically set as a percentage of the commitment amount. Such fee income is included in interest income on the Statements of Operations. At June 30, 2019, there were no outstanding bridge loan commitments.

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

For Federal income tax purposes, cost of investments owned at June 30, 2019 and the related unrealized appreciation (depreciation) were as follows:

Portfolio	Cost of Investments	Gross Appreciation	Gross Depreciation	Net Unrealized Appreciation (Depreciation)
Asset Strategy	\$ 757,118	\$ 101,052	\$ 78,323	\$ 22,729
Balanced	304,643	31,870	7,596	24,274
Energy	59,016	1,846	17,426	(15,580)
Growth	528,234	249,426	5,198	244,228
High Income	957,907	17,543	68,866	(51,323)
International Core Equity	743,625	62,761	79,039	(16,278)
Mid Cap Growth	389,912	133,211	11,190	122,021
Natural Resources	109,062	5,059	23,172	(18,113)
Science and Technology	297,883	248,879	5,487	243,392
Small Cap Core	183,963	24,213	6,317	17,896
Small Cap Growth	321,797	100,186	13,884	86,302

For Federal income tax purposes, the Portfolios' undistributed earnings and profit for the year ended December 31, 2018 and the post-October and late-year ordinary activity updated with information available through the date of this report were as follows:

Portfolio	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Tax Return of Capital	Post-October Capital Losses Deferred	Late-Year Ordinary Losses Deferred
Asset Strategy	\$ 108	\$ 1,205	\$—	\$ —	\$ —
Balanced	6,219	25,290	—	—	—
Energy	—	—	—	—	—
Growth	4,138	182,791	—	—	—
High Income	58,145	—	—	—	—
International Core Equity	13,997	56,369	—	—	—
Mid Cap Growth	—	82,045	—	—	—
Natural Resources	241	—	—	—	—
Science and Technology	—	—	—	292	—
Small Cap Core	12,735	23,952	—	—	—
Small Cap Growth	—	5,911	—	—	390

Internal Revenue Code regulations permit each Portfolio 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 Portfolio 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 December 31, 2018 and 2017 were as follows:

Portfolio	December 31, 2018		December 31, 2017	
	Distributed Ordinary Income <sup>(1)</sup>	Distributed Long-Term Capital Gains	Distributed Ordinary Income <sup>(1)</sup>	Distributed Long-Term Capital Gains
Asset Strategy	\$15,495	\$33,725	\$ 14,371	\$ —
Balanced	5,473	5,390	5,768	10,204
Energy	—	—	1,272	—
Growth	811	99,017	2,229	79,352
High Income	59,518	—	54,175	—
International Core Equity	28,472	4,508	10,926	—
Mid Cap Growth	2,816	26,847	—	19,650
Natural Resources	351	—	179	—
Science and Technology	—	65,685	3,112	47,869
Small Cap Core	27,706	28,529	34,485	4,780
Small Cap Growth	20,961	97,032	—	10,680

<sup>(1)</sup>Includes short-term capital gains, 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 December 31, 2018 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. As of December 31, 2018, the capital loss carryovers were as follows:

Portfolio	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Asset Strategy .....	\$ —	\$ —
Balanced .....	—	—
Energy .....	10,337 <sup>(1)</sup>	20,061 <sup>(1)</sup>
Growth .....	—	—
High Income .....	280	56,478
International Core Equity .....	—	—
Mid Cap Growth .....	—	—
Natural Resources .....	6,122	36,157
Science and Technology .....	—	—
Small Cap Core .....	—	—
Small Cap Growth .....	—	—

*(1)\$29,427 of these Capital Loss Carryovers are subject to an annual limitation of \$3,708 plus any unused limitation from prior years.*

(UNAUDITED)

## Proxy Voting Guidelines

A description of the policies and procedures Ivy Variable Insurance Portfolios uses to determine how to vote proxies relating to portfolio securities is available (i) without charge, upon request, by calling 1.888.923.3355 and (ii) on the Securities and Exchange Commission's ("SEC") website at [www.sec.gov](http://www.sec.gov).

## Proxy Voting Records

Information regarding how the Portfolio voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available on Form N-PX at [www.ivyinvestments.com](http://www.ivyinvestments.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov).

(UNAUDITED)

Portfolio holdings can be found on the Trust's website at [www.ivyinvestments.com](http://www.ivyinvestments.com). Alternatively, a complete schedule of portfolio holdings of each Portfolio 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](http://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.

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# THE IVY VARIABLE INSURANCE PORTFOLIOS FAMILY

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## Global/International Portfolios

Global Equity Income  
Global Growth  
International Core Equity

## Domestic Equity Portfolios

Core Equity  
Growth  
Mid Cap Growth  
Small Cap Core  
Small Cap Growth  
Value

## Fixed Income Portfolios

Corporate Bond  
Global Bond  
High Income  
Limited-Term Bond

## Money Market Portfolio

Government Money Market

## Specialty Portfolios

Asset Strategy  
Balanced  
Energy  
Natural Resources  
Pathfinder Aggressive  
Pathfinder Conservative  
Pathfinder Moderate  
Pathfinder Moderately Aggressive  
Pathfinder Moderately Conservative  
Pathfinder Moderate — Managed Volatility  
Pathfinder Moderately Aggressive — Managed Volatility  
Pathfinder Moderately Conservative — Managed Volatility  
Science and Technology  
Securian Real Estate Securities

**The underlying portfolios discussed in this report are only available as investment options in variable annuity and variable life insurance contracts issued by life insurance companies. They are not offered or made available directly to the general public.**

**This report is submitted for the general information of the shareholders of Ivy Variable Insurance Portfolios. It is not authorized for distribution to prospective investors in a Portfolio unless accompanied with or preceded by the current Portfolio prospectus as well as the variable product prospectus.**

