

# Ivy Large Cap Growth E



**Morningstar Analysis** Peter Di Teresa, Consultant 1-15-2010

## Portfolio Manager

Daniel P. Becker, CFA, since June 2000. BS University of Wisconsin at Madison, MBA University of Wisconsin Graduate School of Business. Becker became an investment analyst in 1989. He was named portfolio manager of the fund at its inception.

Phillip J. Sanders, since June 2006. BA University of Michigan, MBA University of North Carolina at Charlotte. Sanders has been in the industry since 1988. He joined the firm in 1998 and was named senior vice president in July 2000.

## Basic Characteristics

This fund seeks large-cap companies that demonstrate sustainable competitive advantages and profit margins, generate high returns on invested capital and have credible and strong management teams. On the other hand, manager Dan Becker would not hesitate to sell outright positions in companies that see their structural advantages disappear or trade at excessively high valuations. Becker particularly likes such sectors as healthcare, financials, and technology, and is willing to significantly overweight them relative to its benchmark. Individual stocks, however, are limited to five percent of the fund's assets.

## Strengths

The fund's trailing three-, five-year, and since-inception returns all rank highly relative to the category. Becker is an experienced manager who has earned a strong record in more than 10 years at another fund he runs with the same strategy.

## Issues

Becker's willingness to overweight sectors can sometimes lead to uneven performance, as when a healthcare overweighting dragged on returns in 2004 and 2006.

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**A fund's Morningstar category assignment is based on averaging its portfolios for the preceding three years.**

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

Portfolio information is subject to change and is not intended to represent any past or future investment recommendations.

Investment style reflects most-recent portfolio and may differ from historical style. A fund's Morningstar category assignment is based on averaging its portfolios for the preceding three years.

**Morningstar Category** Large Growth

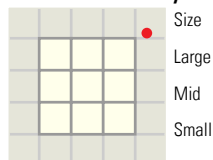
**Benchmark Index** Russell 1000 Growth

Large Growth

Russell 1000 Growth

## Portfolio Profile as of 12-31-2009

### Current Investment Style



Value Blend Growth Style

### Portfolio Statistics

	12-31	Rel Cat
Price/Earnings Ratio	24.8	1.2
Price/Book Ratio	3.3	1.1
Price/Cash Ratio	14.1	1.1
Geo Avg Mk Cap \$mil	52,124	1.3
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Total Stocks	47	
Total Bonds	0	
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Turnover Ratio %	76.0	

### Market Cap %

	12-31	Rel Cat
Giant	57.3	1.1
Large	32.6	1.1
Medium	10.1	0.6
Small	0.0	0.0
Micro	0.0	0.0

## Performance as of 12-31-2009

	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Incept
A (NAV)	5.91	24.58	24.58	-0.11	3.32	1.63
A (Load-adj)	-0.18	17.41	17.41	-2.06	2.11	1.00
E (NAV)	5.91	24.60	24.60	--	--	-0.92
E (Load-adj)	-0.18	17.44	17.44	--	--	-3.04
Category	6.68	35.68	35.68	-2.89	1.21	-5.53*
Index	7.94	37.21	37.21	-1.89	1.63	-4.22*

\* Since E shares inception.

### Risk Measures

	12-31	Index	Cat
Std Deviation 3 Yr	--	20.01	21.15
Std Deviation 5 Yr	--	16.30	17.48

Standard deviation is a measure of how volatile a fund's returns are.

**Fund Expense Ratio** 1.15

## Fund Inception Date

A: 06-30-2000 C: 07-03-2000 Y: 07-06-2000

E: 04-02-2007

### Composition



### Morningstar Sectors

	12-31	Rel Cat
Information	37.7	1.2
Software	3.2	0.5
Hardware	28.2	1.7
Media	0.0	0.0
Telecommunication	6.3	0.9
Service	46.6	1.1
Healthcare	12.9	0.9
Consumer Services	12.2	1.1
Business Services	7.9	1.3
Financial Services	13.5	1.3
Manufacturing	15.7	0.6
Consumer Goods	5.6	0.7
Industrial Goods	5.4	0.5
Energy	4.7	0.6
Utilities	0.0	0.0

**Data quoted is past performance and current performance may be higher or lower. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit [www.invested529.com](http://www.invested529.com) for the most recent month-end performance. Performance at net asset value does not include the effect of sales charges. Class A and Class E share performance, including sales charges, reflects the maximum applicable sales charge of 5.75%.**

**Shares are offered as part of the Arizona Family College Savings Fund, a 529 plan administered by the Arizona Commission for Postsecondary Education (the "Program"). Accounts are held in trust for the benefit of the Arizona Commission for Postsecondary Education in its capacity as Trustee of the Family College Savings Program Trust Fund (the "Trust"). An investment in the Program constitutes a purchase of an interest in the Trust, a municipal fund security. Accounts are not insured by the State of Arizona, the Trust, the Arizona Commission for Postsecondary Education, or any other governmental entity, the InvestEd Program, or any affiliated or related party, and neither the principal deposited nor the investment return is guaranteed by any of the above referenced parties.**