

Invesco Bond Fund
Form N-CSRS
November 08, 2013

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act file number 811-02090

Invesco Bond Fund
(Exact name of registrant as specified in charter)

1555 Peachtree Street, N.E.,

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Atlanta, Georgia 30309

(Address of principal executive offices) (Zip code)

Colin Meadows

1555 Peachtree Street, N.E.,

Atlanta, Georgia 30309

(Name and address of agent for service)

Registrant's telephone number, including area code: (713) 626-1919

Date of fiscal year end: 2/28

Date of reporting period: 08/31/13

Item 1. Report to Stockholders.

Semiannual Report to Shareholders

August 31, 2013

Invesco Bond Fund

NYSE: VBF

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Unless otherwise noted, all data provided by Invesco.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Fund Performance

Performance summary

Cumulative total returns, 2/28/13 to 8/31/13

Fund at NAV	-3.09%
Fund at Market Value	-13.70
Barclays Baa U.S. Corporate Bond Index	-3.11
Market Price Discount to NAV as of 8/31/13	-12.14

Source: qLipper Inc.

The performance data quoted represent past performance and cannot guarantee comparable future results; current performance may be lower or higher. Investment return, net asset value (NAV) and market price will fluctuate so that you may have a gain or loss when you sell shares. Please visit invesco.com/us for the most recent month-end performance. Performance figures reflect Fund expenses, the reinvestment of distributions (if any) and changes in NAV for performance based on NAV and changes in market price for performance based on market price.

Since the Fund is a closed-end management investment company, shares of the Fund may trade at a discount or premium from the NAV. This characteristic is separate and distinct from the risk that NAV could decrease as a result of investment activities and may be a greater risk to investors expecting to sell their shares after a short time. The Fund cannot predict whether shares will trade at, above or below NAV. The Fund should not be viewed as a vehicle for trading purposes. It is designed primarily for risk-tolerant long-term investors.

The **Barclays Baa U.S. Corporate Bond Index** is the Baa component of the Barclays U.S. Corporate Investment Grade Index. The Barclays U.S. Corporate Investment Grade Index consists of publicly issued, fixed rate, nonconvertible, investment-grade debt securities.

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

A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges.

Portfolio Management Update

The following individuals are jointly and primarily responsible for the day-to-day management of Invesco Bond Fund:

Matt Brill, Chartered Financial Analyst, portfolio manager, is manager of Invesco Bond Fund. He has been associated with Invesco and/or its affiliates since 2013 and has managed the Fund since 2013. Mr. Brill was employed by ING Investment Management from 2001 to 2013. He graduated magna cum laude with a BA in economics from Washington and Lee University.

Chuck Burge, portfolio manager, is manager of Invesco Bond Fund. He has been associated with Invesco or its investment advisory affiliates since 2002 and began managing the Fund in 2010. Mr. Burge earned a BS in economics from Texas A&M University and an MBA in finance and accounting from Rice University.

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Darren Hughes, Chartered Financial Analyst, portfolio manager, is manager of Invesco Bond Fund. He has been associated with Invesco or its investment advisory affiliates since 1992 and began managing the Fund in 2012. Mr. Hughes earned a BBA in finance and economics from Baylor University.

Michael Hyman, portfolio manager, is manager of Invesco Bond Fund. He has been associated with Invesco and/or its affiliates since 2013 and began managing the Fund in 2013. Mr. Hyman was employed by ING Investment Management from 2001 to 2013. He earned a BSE in finance from Pennsylvania State University and an MBA from the Stern School of Business at New York University.

Scott Roberts, Chartered Financial Analyst, portfolio manager, is manager of Invesco Bond Fund. He has been associated with Invesco or its investment advisory affiliates since 2000 and began managing the Fund in 2012. Mr. Roberts earned a BBA in finance from the University of Houston.

NYSE Symbol

VBF

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Invesco Bond Fund

Dividend Reinvestment Plan

The dividend reinvestment plan (the Plan) offers you a prompt and simple way to reinvest your dividends and capital gains distributions (Distributions) into additional shares of your Invesco closed-end Fund (the Fund). Under the Plan, the money you earn from Distributions will be reinvested automatically in more shares of the Fund, allowing you to potentially increase your investment over time. All shareholders in the Fund are automatically enrolled in the Plan when shares are purchased.

Plan benefits

n **Add to your account:**

You may increase your shares in your Fund easily and automatically with the Plan.

n **Low transaction costs:**

Shareholders who participate in the Plan may be able to buy shares at below-market prices when the Fund is trading at a premium to its net asset value (NAV). In addition, transaction costs are low because when new shares are issued by the Fund, there is no brokerage fee, and when shares are bought in blocks on the open market, the per share fee is shared among all participants.

n **Convenience:**

You will receive a detailed account statement from Computershare Trust Company, N.A. (the Agent), which administers the Plan. The statement shows your total Distributions, date of investment, shares acquired, and price per share, as well as the total number of shares in your reinvestment account. You can also access your account at invesco.com/us.

n **Safekeeping:**

The Agent will hold the shares it has acquired for you in safekeeping.

Who can participate in the Plan

If you own shares in your own name, your purchase will automatically enroll you in the Plan. If your shares are held in street name in the name of your brokerage firm, bank, or other financial institution you must instruct that entity to participate on your behalf. If they are unable to participate on your behalf, you may request that they reregister your shares in your own name so that you may enroll in the Plan.

How to enroll

If you haven't participated in the Plan in the past or chose to opt out, you are still eligible to participate. Enroll by visiting invesco.com/us, by calling toll-free 800 341 2929 or by notifying us in writing at Invesco Closed-End Funds, Computershare Trust Company, N.A. P.O. Box 43078, Providence, RI 02940-3078. If you are writing to us, please include the Fund name and account number and ensure that all shareholders listed on the account sign these written instructions. Your participation in the Plan will begin with the next Distribution payable after the Agent receives your authorization, as long as they receive it before the record date, which is generally 10 business days before the Distribution is paid. If your authorization arrives after such record date, your participation in the Plan will begin with the following Distribution.

How the Plan works

If you choose to participate in the Plan, your Distributions will be promptly reinvested for you, automatically increasing your shares. If the Fund is trading at a share price that is equal to its NAV, you will pay that amount for your reinvested shares. However, if the Fund is trading above or below NAV, the price is determined by one of two ways:

1. Premium: If the Fund is trading at a premium – a market price that is higher than its NAV – you will pay either the NAV or 95 percent of the market price, whichever is greater. When the Fund trades at a premium, you may pay less for your reinvested shares than an investor purchasing shares on the stock exchange. Keep in mind, a portion of your price reduction may be taxable because you are receiving shares at less than market price.
2. Discount: If the Fund is trading at a discount – a market price that is lower than its NAV – you will pay the market price for your reinvested shares.

Costs of the Plan

There is no direct charge to you for reinvesting Distributions because the Plan's fees are paid by the Fund. If the Fund is trading at or above its NAV, your new shares are issued directly by the Fund and there are no brokerage charges or fees. However, if the Fund is trading at a discount, the shares are purchased on the open market, and you will pay your portion of any per share fees. These per share fees are typically less than the standard brokerage charges for individual transactions because shares are purchased for all participants in blocks, resulting in lower fees for each individual participant. Any service or per share fees are added to the purchase price. Per share fees include any applicable brokerage commissions the Agent is required to pay.

Tax implications

The automatic reinvestment of Distributions does not relieve you of any income tax that may be due on Distributions. You will receive tax information annually to help you prepare your federal income tax return.

Invesco does not offer tax advice. The tax information contained herein is general and is not exhaustive by nature. It was not intended or written to be used, and it cannot be used, by any taxpayer for avoiding penalties that may be imposed on the taxpayer under US federal tax laws. Federal and state tax laws are complex and constantly changing. Shareholders should always consult a legal or tax adviser for information concerning their individual situation.

How to withdraw from the Plan

You may withdraw from the Plan at any time by calling 800 341 2929, by visiting invesco.com/us or by writing to Invesco Closed-End Funds, Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078. Simply indicate that you would like to withdraw from the Plan, and be sure to include your Fund name and account number. Also, ensure that all shareholders listed on the account sign these written instructions. If you withdraw, you have three options with regard to the shares held in the Plan:

1. If you opt to continue to hold your non-certificated whole shares (Investment Plan Book Shares), they will be held by the Agent electronically as Direct Registration Book-Shares (Book-Entry Shares) and fractional shares will be sold at the then-current market price. Proceeds will be sent via check to your address of record after deducting applicable fees, including per share fees such as any applicable brokerage commissions the Agent is required to pay.
2. If you opt to sell your shares through the Agent, we will sell all full and fractional shares and send the proceeds via check to your address of record after deducting a \$2.50 service fee and per share fees. Per share fees include any applicable brokerage commissions the Agent is required to pay.

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3. You may sell your shares through your financial adviser through the Direct Registration System (DRS). DRS is a service within the securities industry that allows Fund shares to be held in your name in electronic format. You retain full ownership of your shares, without having to hold a share certificate. You should contact your financial adviser to learn more about any restrictions or fees that may apply. The Fund and Computershare Trust Company, N.A. may amend or terminate the Plan at any time. Participants will receive at least 30 days written notice before the effective date of any amendment. In the case of termination, Participants will receive at least 30 days written notice before the record date for the payment of any such Distributions by the Fund. In the case of amendment or termination necessary or appropriate to comply with applicable law or the rules and policies of the Securities and Exchange Commission or any other regulatory authority, such written notice will not be required.

To obtain a complete copy of the current Dividend Reinvestment Plan, please call our Client Services department at 800 341 2929 or visit invesco.com/us.

Schedule of Investments^(a)

August 31, 2013

(Unaudited)

	Principal	
	Amount	Value
U.S. Dollar Denominated Bonds and Notes 90.03%		
Advertising 1.15%		
Interpublic Group of Cos. Inc. (The), Sr. Unsec. Global Notes, 2.25%, 11/15/17	\$ 1,200,000	\$ 1,171,738
Omnicom Group Inc., Sr. Unsec. Gtd. Global Notes, 3.63%, 05/01/22	260,000	250,821
WPP Finance (United Kingdom), Sr. Unsec. Gtd. Global Notes, 8.00%, 09/15/14	1,080,000	1,154,787
		2,577,346
Aerospace & Defense 0.96%		
B/E Aerospace Inc., Sr. Unsec. Notes, 5.25%, 04/01/22	565,000	562,175
Bombardier Inc. (Canada), Sr. Unsec. Notes, 5.75%, 03/15/22 ^(b)	30,000	29,325
6.13%, 01/15/23 ^(b)	22,000	21,615
7.75%, 03/15/20 ^(b)	90,000	99,900
DigitalGlobe Inc., Sr. Unsec. Gtd. Notes, 5.25%, 02/01/21 ^(b)	55,000	51,838
GenCorp Inc., Sr. Sec. Gtd. Notes, 7.13%, 03/15/21 ^(b)	114,000	120,270
Huntington Ingalls Industries Inc., Sr. Unsec. Gtd. Global Notes, 6.88%, 03/15/18	55,000	59,606
Kratos Defense & Security Solutions Inc., Sr. Sec. Gtd. Global Notes, 10.00%, 06/01/17	68,000	73,780
L3 Communications Corp., Sr. Unsec. Gtd. Notes, 4.75%, 07/15/20	1,000,000	1,039,492
Sequa Corp., Sr. Unsec. Gtd. Notes, 7.00%, 12/15/17 ^(b)	40,000	40,050
TransDigm Inc., Sr. Unsec. Gtd. Sub. Global Notes, 5.50%, 10/15/20	35,000	34,125
Sr. Unsec. Gtd. Sub. Notes, 7.50%, 07/15/21 ^(b)	35,000	36,925
		2,169,101
Agricultural Products 0.15%		
Ingredion Inc., Sr. Unsec. Notes, 6.63%, 04/15/37	300,000	341,567
Airlines 3.08%		
Air Canada Pass Through Trust (Canada), Series 2013-1, Class B, Sec. Pass Through Cfts., 5.38%, 05/15/21 ^(b)	25,000	24,250
America West Airlines Pass Through Trust, Series 2001-1, Class G, Sr. Sec. Pass Through Cfts., 7.10%, 04/02/21	319,423	339,586
American Airlines Pass Through Trust, Series 2011-1, Class B, Sec. Pass Through Cfts., 7.00%, 01/31/18 ^(b)	678,039	701,770
Series 2013-2, Class A, Sr. Sec. Pass Through Cfts., 4.95%, 01/15/23 ^(b)	360,000	359,100
	Principal	Value

	Amount	
Airlines (continued)		
British Airways PLC (United Kingdom), Sec. Pass Through Ctfs., 5.63%, 06/20/20 ^(b)	\$ 30,000	\$ 30,627
Continental Airlines Pass Through Trust, Series 2007-1, Class C, Sec. Global Pass Through Ctfs., 7.34%, 04/19/14	15,178	15,453
Series 2010-1, Class B, Sec. Pass Through Ctfs., 6.00%, 01/12/19	573,258	584,544
Series 2012-1, Class B, Sec. Pass Through Ctfs., 6.25%, 04/11/20	2,000,000	2,066,250
Series 2012-3, Class C, Sec. Pass Through Ctfs., 6.13%, 04/29/18	130,000	132,113
Delta Air Lines Pass Through Trust, Series 2010-1, Class A, Sr. Sec. Pass Through Ctfs., 6.20%, 07/02/18	424,670	465,411
Series 2010-2, Class A, Sr. Sec. Pass Through Ctfs., 4.95%, 05/23/19	410,658	439,917
Series 2012-1, Class A, Sr. Sec. Pass Through Ctfs., 4.75%, 05/07/20	593,040	628,993
Hawaiian Airlines, Series 2013-1, Class A, Sr. Sec. Gtd. Pass Through Ctfs., 3.90%, 01/15/26	805,000	742,109
United Airlines Pass Through Trust, Series 2013-1, Class A, Sr. Sec. Pass Through Ctfs., 4.30%, 02/15/27	280,000	274,925
United Continental Holdings Inc., Sr. Unsec. Gtd. Notes, 6.38%, 06/01/18	55,000	55,688
US Airways Pass Through Trust, Series 1998-1, Class C, Sec. Pass Through Ctfs., 6.82%, 01/30/14	56,581	55,803
		6,916,539
Alternative Carriers 0.16%		
Cogent Communications Group, Inc., Sr. Sec. Gtd. Notes, 8.38%, 02/15/18 ^(b)	50,000	54,875
Level 3 Communications Inc., Sr. Unsec. Global Notes, 8.88%, 06/01/19	30,000	32,025
11.88%, 02/01/19	60,000	68,850
Level 3 Financing Inc., Sr. Unsec. Gtd. Global Notes, 7.00%, 06/01/20	85,000	86,062
8.13%, 07/01/19	25,000	26,438
8.63%, 07/15/20	40,000	42,900
9.38%, 04/01/19	35,000	38,325
		349,475
Apparel Retail 0.04%		
L Brands Inc., Sr. Unsec. Gtd. Global Notes, 5.63%, 02/15/22	20,000	20,125
Sr. Unsec. Gtd. Notes, 6.63%, 04/01/21	70,000	74,550
		94,675

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

	Principal	
	Amount	Value
Apparel, Accessories & Luxury Goods 0.17%		
Jones Group Inc./Apparel Group Holdings/Apparel Group		
USA/Footwear Accessories Retail, Sr. Unsec. Notes, 6.88%, 03/15/19	\$ 170,000	\$ 174,250
Levi Strauss & Co., Sr. Unsec. Global Notes,		
6.88%, 05/01/22	10,000	10,700
7.63%, 05/15/20	160,000	172,800
PVH Corp., Sr. Unsec. Global Notes, 4.50%, 12/15/22	10,000	9,337
William Carter Co. (The), Sr. Unsec. Gtd. Notes, 5.25%, 08/15/21 ^(b)	14,000	14,105
		381,192
Application Software 0.02%		
Nuance Communications Inc., Sr. Unsec. Gtd. Notes,		
5.38%, 08/15/20 ^(b)	55,000	52,663
Asset Management & Custody Banks 1.05%		
Ashton Woods USA LLC/Ashton Woods Finance Co., Sr. Unsec.		
Notes, 6.88%, 02/15/21 ^(b)	80,000	79,400
Blackstone Holdings Finance Co. LLC, Sr. Unsec. Gtd. Notes,		
4.75%, 02/15/23 ^(b)	1,190,000	1,238,363
6.25%, 08/15/42 ^(b)	490,000	512,731
Carlyle Holdings II Finance LLC, Sr. Sec. Gtd. Notes,		
5.63%, 03/30/43 ^(b)	575,000	533,111
		2,363,605
Auto Parts & Equipment 0.07%		
Allison Transmission Inc., Sr. Unsec. Gtd. Notes, 7.13%, 05/15/19 ^(b)	90,000	95,850
American Axle & Manufacturing Inc., Sr. Unsec. Gtd. Notes,		
6.25%, 03/15/21	35,000	35,787
6.63%, 10/15/22	30,000	30,825
		162,462
Automobile Manufacturers 2.13%		
Ford Motor Co., Sr. Unsec. Global Notes, 4.75%, 01/15/43	1,500,000	1,326,524
Ford Motor Credit Co. LLC,		
Sr. Unsec. Global Notes, 4.38%, 08/06/23	750,000	732,194
Sr. Unsec. Notes,		
3.00%, 06/12/17	1,000,000	1,008,361
4.25%, 09/20/22	1,200,000	1,168,212
Hyundai Capital America (South Korea), Sr. Unsec. Notes,		
2.88%, 08/09/18 ^(b)	550,000	544,893
		4,780,184
Automotive Retail 0.72%		
Advance Auto Parts, Inc., Sr. Unsec. Gtd. Notes, 5.75%, 05/01/20	1,540,000	1,615,838
Biotechnology 0.37%		
Celgene Corp., Sr. Unsec. Global Notes, 5.25%, 08/15/43	845,000	838,257
	Principal	
	Amount	Value

Broadcasting 1.63%

Clear Channel Worldwide Holdings Inc., Series A, Sr. Unsec. Gtd. Global Notes, 6.50%, 11/15/22	\$ 15,000	\$ 14,925
Series B, Sr. Unsec. Gtd. Global Notes, 6.50%, 11/15/22	40,000	40,100
Sr. Unsec. Gtd. Sub. Global Notes, 7.63%, 03/15/20	105,000	105,787
COX Communications Inc., Sr. Unsec. Notes, 4.70%, 12/15/42 ^(b)	1,000,000	814,216
6.25%, 06/01/18 ^(b)	1,300,000	1,466,326
8.38%, 03/01/39 ^(b)	305,000	364,348
Discovery Communications LLC, Sr. Unsec. Gtd. Global Notes, 4.88%, 04/01/43	815,000	752,902
LIN Television Corp., Sr. Unsec. Gtd. Global Notes, 6.38%, 01/15/21	95,000	95,475
Starz LLC/Starz Finance Corp., Sr. Unsec. Gtd. Global Notes, 5.00%, 09/15/19	5,000	4,916
		3,658,995

Building Products 0.49%

Builders FirstSource Inc., Sr. Sec. Notes, 7.63%, 06/01/21 ^(b)	185,000	184,075
Gibraltar Industries Inc., Sr. Unsec. Gtd. Sub. Global Notes, 6.25%, 02/01/21	125,000	126,562
Nortek Inc., Sr. Unsec. Gtd. Global Notes, 8.50%, 04/15/21	158,000	171,825