Invesco Emerging Local Currencies Debt Fund

A-Acc Shares

31 March 2018

This marketing document is exclusively for use by Qualified Investors in Switzerland and Professional Clients in Continental European countries as defined in the important information section. This document is not for consumer use, please do not redistribute.
This document may also be used by financial intermediaries in the United States as defined in the important information section.

Summary of fund objective

The objective of the Fund is to achieve long-term capital growth and high income. The Fund will invest at least two thirds of its total assets in a flexible allocation of cash, debt securities (including corporate bonds, and bonds issued by supranational organisations) and financial derivative instruments which are denominated in the currency of emerging market countries. For the full objectives and investment policy please consult the current prospectus.

Key facts



Michael Hyman
Atlanta
Managed fund since
October 2016



Rashique Rahman
Atlanta
Managed fund since
March 2015



Avi Hooper
Atlanta
Managed fund since
August 2015

Share class launch
14 December 2006

Original fund launch
14 December 2006

Legal status
Luxembourg SICAV with UCITS status

Share class currency
USD

Share class type
Accumulation

Fund size
USD 467.62 mn

Reference index
JP Morgan GBI-EM Global Diversified Composite

Bloomberg code
INELCAA LX

ISIN code
LU0275062247

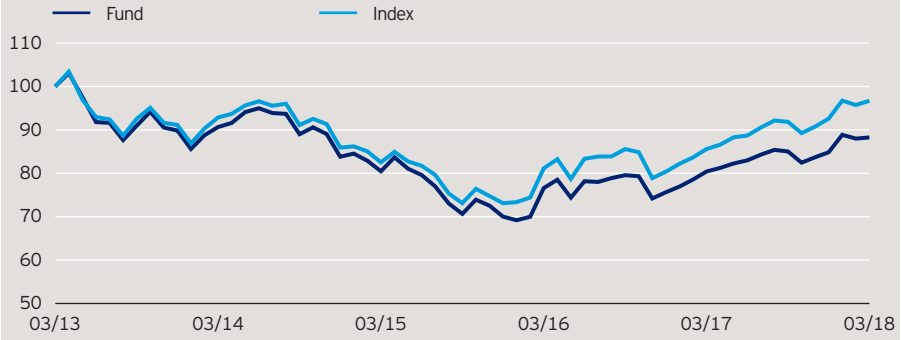
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★

Quarterly fund commentary

Emerging market (EM) local currency bonds returned 4.42% for the quarter, as measured by the J.P. Morgan GBI-EM Global Diversified Index. The nominal index yield ended the period at 6.01%. Returns in local currency terms were positive for the quarter while Emerging markets currencies appreciated versus USD and depreciated versus EUR. We believe the global backdrop of solid global growth, benign inflation and favourable financial conditions remains supportive for Emerging Markets assets. Furthermore, Emerging Markets macroeconomic fundamentals continue to see improved growth, which we see persisting over the next 3-6 months. Our view of positive EM growth favours EM currencies particularly in the context of our view of US dollar stability. We tend to favour the currencies of commodity-producing countries given valuations and the yield advantage. EM local interest rates should also be a positive contributor as they continue to offer attractive risk premia on what we see as still-low inflation. The most pertinent risk to our outlook would be resurgence in US inflation that asserts upward pressure on yields and the dollar.

Indexed performance*



The performance period shown here starts on the last day of the first indicated month and ends on the last day of the last indicated month.

Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	4.03	0.31	9.75	9.69	-11.73
Index	4.44	1.02	12.99	17.20	-3.28
Quartile ranking	3	4	4	4	4
Absolute ranking	52/102	91/106	74/98	74/86	56/71

Mstar GIF OS Sector: Global Emerging Markets Bond - Local Currency

Calendar year performance*

in %	2013	2014	2015	2016	2017
Fund	-10.27	-6.72	-16.48	8.03	12.18
Index	-8.98	-5.72	-14.92	9.94	15.21

Standardised rolling 12 month performance**

in %	31.03.13 31.03.14	31.03.14 31.03.15	31.03.15 31.03.16	31.03.16 31.03.17	31.03.17 31.03.18
Fund	-9.34	-11.24	-4.80	4.98	9.75
Index	-7.14	-11.14	-1.65	5.47	12.99

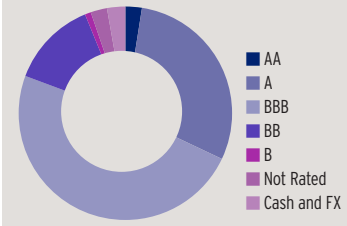
Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.

*Source: © 2018 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Gross income re-invested to 31 March 2018 unless otherwise stated. The figures do not reflect the entry charge payable by individual investors. **Gross income re-invested to 31 March 2018. All performance data on this factsheet is in the currency of the share class. Reference Index Source: Factset.

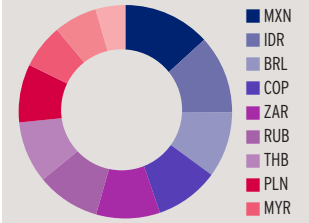
Invesco Emerging Local Currencies Debt Fund
A-Acc Shares

31 March 2018

Credit ratings of the fund in %*



Currency exposure of the fund in %*



NAV and fees

Current NAV
USD 14.31

12 month price high
USD 14.52 (26/01/2018)

12 month price low
USD 12.96 (10/04/2017)

Minimum investment [1]
USD 1,500

Entry charge
Up to 5.00%

Annual management fee
1.5%

Ongoing charges
1.89% (31/08/2017)

Credit ratings*

(average rating: BBB)

in %	Fund	Index
AA	2.5	6.4
A	29.5	35.3
BBB	48.7	46.4
BB	13.2	10.0
B	0.9	0.8
Not Rated	2.5	1.1
Cash and FX	2.8	0.0

Duration distribution*

(average duration: 6.5)

in %	Fund	Index
Under 3 years	4.7	27.4
3-4 years	17.4	14.7
4-5 years	14.5	13.0
5-6 years	4.5	7.2
6+ years	58.9	37.8

Sector weightings*

in %	Fund	Index
Local Debt	97.2	100.0
Cash and FX	2.8	0.0

Yield %*

Gross Current Yield	6.53
Gross Redemption Yield	5.99

Currency exposure*

in %	Fund	Index
MXN	13.2	10.0
IDR	11.9	9.3
BRL	10.0	10.0
COP	9.7	7.1
ZAR	9.7	8.9
RUB	9.6	7.8
THB	9.4	7.9
PLN	8.8	9.0
MYR	6.7	5.7
TRY	6.6	6.6
Others	4.5	17.8

Maturity distribution*

in %	Fund	Index
0-3 years	1.7	22.4
3-7 years	36.4	35.6
7-10 years	13.7	18.8
10-15 years	31.1	12.5
15+ years	14.4	10.8
Others	2.7	0.0

Geographical weightings*

in %	Fund	Index
Brazil	12.5	10.0
Indonesia	12.3	9.3
Mexico	12.2	10.0
South Africa	11.5	8.9
Colombia	10.7	7.1
Russia	8.1	7.8
Poland	6.4	9.0
Turkey	5.2	6.6
Others	18.3	31.4
Cash and FX	2.8	0.0

3 year characteristics**

Alpha	-2.17
Beta	0.99
Correlation	0.98
Information ratio	-1.04
Sharpe ratio	0.23
Tracking error in %	2.09
Volatility in %	11.24

For detailed information about the 3 year characteristics please see http://www.invescoeurope.com/CE/Glossary.pdf.

Source: *Invesco. Portfolio weightings and allocations are subject to change. The weightings for each breakdown are rounded to the nearest tenth or hundredth of a percent; therefore, the aggregate weights for each breakdown may not equal 100%. **Morningstar.

Invesco Emerging Local Currencies Debt Fund
A-Acc Shares

31 March 2018

Risk Warnings

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. Debt instruments are exposed to credit risk which is the ability of the borrower to repay the interest and capital on the redemption date. Changes in interest rates will result in fluctuations in the value of the fund. The fund will invest in derivatives (complex instruments) which will result in the fund being leveraged and may result in large fluctuations in the value of the fund. The fund may invest in distressed securities which carry a significant risk of capital loss. As a large portion of the fund is invested in less developed countries, you should be prepared to accept significantly large fluctuations of the value of the fund. The fund will hold a large amount of debt instruments which are of lower credit quality and may result in large fluctuations in the value of the fund.

Important Information

[1]The minimum investment amounts are: USD 1,500 / EUR 1,000 / GBP 1,000 / CHF 1,500 / SEK 10,000. Please contact us or refer to the most up to date Prospectus for details of minimum investment amounts in other currencies.

This marketing document is exclusively for use by Professional Clients and Financial Advisers in Continental Europe and Qualified Investors in Switzerland. This document is not for consumer use, please do not redistribute. For the purpose of the distribution of this document Continental Europe is defined as Austria, Belgium, Switzerland, Germany, Denmark, Spain, Finland, France, Greece, Italy, Luxembourg, Netherlands, Norway, Sweden. Data as at 31 March 2018, unless otherwise stated. This document is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. The information provided is for illustrative purposes only, it should not be relied upon as recommendations to buy or sell securities. By accepting this document, you consent to communicate with us in English, unless you inform us otherwise.

You will find a list of the full holdings of this fund on http://www.invescoglobalproducts.com/portal/site/gpr. Past performance is not a guide to future returns. Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice and are not to be construed as investment advice. This marketing document is not an invitation to subscribe for shares in the fund and is by way of information only, it should not be considered financial advice. This does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Persons interested in acquiring the fund should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences. As with all investments, there are associated risks. This document is by way of information only. Asset management services are provided by Invesco in accordance with appropriate local legislation and regulations. The fund is available only in jurisdictions where its promotion and sale is permitted. Not all share classes of this fund may be available for public sale in all jurisdictions and not all share classes are the same nor do they necessarily suit every investor. Fee structure and minimum investment levels may vary dependent on share class chosen. Please check the most recent version of the fund prospectus in relation to the criteria for the individual share classes and contact your local Invesco office for full details of the fund registration status in your jurisdiction. Forecasts are not reliable indicators of future performance. The ongoing charges figure is based on annualised expenses for the period ending 31/08/2017. This figure may vary from year to year. It excludes portfolio transaction costs except in the case of an entry or exit charge paid by the Fund when buying or selling shares/units in another fund. For more information on our funds, please refer to the most up to date relevant fund and share class-specific Key Investor Information Documents, the latest Annual or Interim Reports and the latest Prospectus, and constituent documents. This information is available using the contact details of the issuer and is without charge. Further information on our products is available using the contact details shown. The yields shown are expressed as a % per annum of the current NAV of the fund. They are an estimate for the next 12 months, assuming that the fund's portfolio remains unchanged and there are no defaults or deferrals of coupon payments or capital repayments. Cash income is estimated coupons from bonds. The gross current yield is an indication of the expected cash income over the next 12 months. The estimated gross redemption yield is a longer-term picture indicating expected annual total return. This means that in addition to expected cash income, it includes the amortised annual value of unrealised capital gains or losses of bond holdings currently held by the fund, calculated with reference to their current market price and expected redemption value made upon maturity of the bonds. Neither of the yields is guaranteed. Nor do they reflect the fund charges or the entry charge of the fund. Investors may be subject to tax on distributions. Subscriptions of shares are only accepted on the basis of the most up to date legal offering documents. The legal offering documents (fund & share class specific Key Investor Information Document, prospectus, annual and semi-annual reports, articles and trustee deed) are available free of charge with your local Invesco representative or on our website www.invescoeurope.com.

© 2018 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Additional information for Financial Intermediaries in the United States: This document is intended for distribution to US financial intermediaries for informational purposes and in relation to their activities with offshore clients only. The Funds are not registered under any US securities law, and may not be offered or sold directly or indirectly in the US, its territories or possessions, nor to any US persons, citizens or residents. The Fund must not be marketed on US soil. This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions. Issued in the US by Invesco Distributors, Inc., 11 Greenway Plaza, Suite 1000, Houston, Texas 77046, USA. Invesco Distributors, Inc. is the appointed US sub-distributor of the Invesco Funds, SICAV or Invesco Fund Series 1-6. All entities are indirect, wholly owned subsidiaries of Invesco Ltd.

Invesco Emerging Local Currencies Debt Fund
A-Acc Shares

31 March 2018

Important Information

Additional information for Austria: Issued in Austria by Invesco Asset Management Österreich - Zweigniederlassung der Invesco Asset Management Deutschland GmbH. The legal offering documents are available free of charge from the issuer of this document: Invesco Asset Management Österreich - Zweigniederlassung der Invesco Asset Management Deutschland GmbH, Rotenturmstrasse 16 - 18, 1010 Vienna as well as at Erste Bank der oesterreichischen Sparkassen AG, Graben 21, A-1010 Vienna acting as paying agent for funds registered for sale in Austria.

Additional information for Belgium: Issued in Belgium by Invesco Asset Management S.A. Belgian Branch (France), situé Avenue Louise 235, 1050 Bruxelles, Belgium, www.invesco.be.

Additional information for Denmark: Issued in Denmark by Invesco Asset Management S.A., 16-18 rue de Londres, 75009 Paris, France.

Additional information for Finland: Issued in Finland by Invesco Asset Management S.A., 16-18 rue de Londres, 75009 Paris, France.

Additional information for France: Issued in France by Invesco Asset Management S.A., 16-18 rue de Londres, 75009 Paris, France.

Additional information for Germany: Issued in Germany by Invesco Asset Management Deutschland GmbH. The legal offering documents are available free of charge from the issuer of this document: Invesco Asset Management Deutschland GmbH, An der Welle 5, D – 60322 Frankfurt am Main.

Additional information for Greece: Issued in Greece by Invesco Asset Management S.A., 16-18 rue de Londres, 75009 Paris, France.

Additional information for Italy: Issued in Italy by Invesco Asset Management SA, Sede Secondaria, Via Bocchetto 6, 20123 Milan, Italy. The fund is registered in Italy for professional investors only and not for public distribution.

Additional information for Luxembourg: Issued in Luxembourg by Invesco Asset Management SA, 16-18 rue de Londres, 75009 Paris, France.

Additional information for the Netherlands: Issued in the Netherlands by Invesco Asset Management S.A. Dutch Branch, Vinoly Building, Claude Debussylaan 26, 1082 MD Amsterdam, The Netherlands, www.invesco.nl.

Additional information for Norway: Issued in Norway by Invesco Asset Management S.A., 16-18 rue de Londres, 75009 Paris, France.

Additional information for Spain: Issued in Spain by Invesco Asset Management S.A., Sucursal en España, C/ Goya 6 - 3º, 28001 Madrid, Spain.

Additional information for Sweden: Issued in Sweden by Invesco Asset Management S.A. Swedish Filial (France), Stureplan 4c, 4th floor, Stockholm 114 35, Sweden.

Additional information for Switzerland: Issued in Switzerland by Invesco Asset Management (Schweiz) AG, Talacker 34, CH-8001 Zurich, who acts as representative for the funds distributed in Switzerland. Paying agent for the funds distributed in Switzerland: BNP PARIBAS SECURITIES SERVICES, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich. The legal offering documents are available free of charge at our website and local language from the issuer of this document. The fund is domiciled in Luxembourg.