Invesco Emerging Local Currencies Debt Fund

A (HKD)-MD Shares

31 December 2016

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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 (after deduction of ancillary liquid assets) in a flexible allocation of, 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



Jorge Ordonez
Atlanta
Managed fund since
August 2015

Share class launch
07 July 2011

Original fund launch
14 December 2006

Legal status
Luxembourg SICAV with UCITS status

Share class currency
HKD

Share class type
Income

Fund size
USD 350.53 mn

Reference index
JP Morgan GBI-EM Global Diversified Composite

Bloomberg code
INELADH LX

ISIN code
LU0607523114

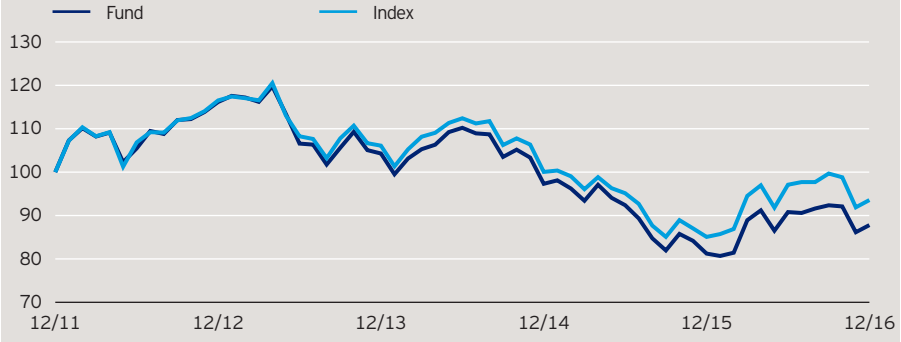
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★★

Quarterly fund commentary

Emerging market (EM) local currency bonds returned -6.09% in the fourth quarter (USD total return), as measured by the JP Morgan GBI-EM Global Diversified Index. Returns were positive in local currency terms, however EM currencies sold off versus the US dollar (US$). US economic growth momentum, which was already strong, was bolstered by the outcome of the US election and in turn propelled the US$ to further strength and US Treasury bond yields higher for the quarter. Promises of fiscal stimulus and the backdrop of accommodative monetary policy led the US Federal Reserve to raise the Fed Funds Rate in the quarter with expectations for more in 2017. The backdrop for global growth remains muted, which is a headwind for EM economies that remain focused on exports. The economic rebalancing in China, away from fixed asset investment, adds to potential strains for EM economic growth. Interest rate cutting cycles remain in some countries, but concerns about currency weakness-led inflation have halted and even reversed rate cutting in some cases. Capital outflow-led currency weakness remains the dominant headwind for 2017.

Indexed performance*



Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	8.08	1.90	8.08	-15.82	-12.20
Index	9.98	1.83	9.98	-11.81	-6.43

Calendar year performance*

in %	2012	2013	2014	2015	2016
Fund	16.16	-10.22	-6.70	-16.52	8.08
Index	16.52	-8.94	-5.70	-14.97	9.98

Standardised rolling 12 month performance**

in %	31.12.11 31.12.12	31.12.12 31.12.13	31.12.13 31.12.14	31.12.14 31.12.15	31.12.15 31.12.16
Fund	16.16	-10.22	-6.70	-16.52	8.08

The standardised past performance information is updated on a quarterly basis. Should you require up-to-date past performance information this is available on our website www.invescoeurope.com or by contacting us.

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: © 2016 Morningstar. Mid to mid, gross income re-invested to 31 December 2016 unless otherwise stated. The figures do not reflect the entry charge payable by individual investors. **Mid to mid, gross income re-invested to 31 December 2016. All performance data on this factsheet is in the currency of the share class. Reference Index Source: Factset.

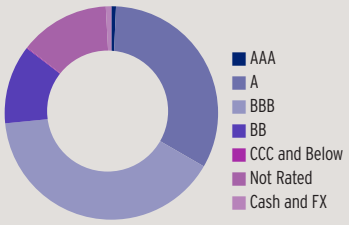
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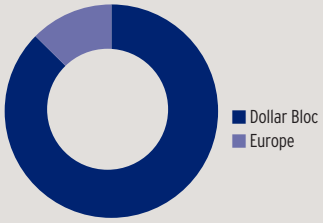
Currency exposure & duration weight*

	Fund in %	Index in %	Hedge in %	Currency in %	WDR (Fund)	WDR (Index)
BRL	11.94	10.00	-2.02	9.92	0.30	0.29
IDR	11.09	10.00	0.53	11.62	0.81	0.62
RUB	9.92	6.16	0.00	9.92	0.30	0.27
ZAR	9.75	9.72	-0.52	9.23	0.48	0.68
INR	8.21	0.00	-2.68	5.53	0.39	0.00
PLN	7.78	10.00	3.66	11.44	0.71	0.42
MYR	6.85	9.02	0.00	6.85	0.34	0.44
MXN	6.74	10.00	-1.55	5.19	0.18	0.53
Other	28.04	35.10	2.25	30.30	1.60	1.62
Total	100.32	100.00	-0.33	100.00	5.11	4.87

Credit ratings of the fund in %*



Currency exposure of the fund in %*



NAV and fees

Current NAV
HKD 62.29

12 month price high
HKD 67.66 (16/08/2016)

12 month price low
HKD 57.81 (21/01/2016)

Minimum investment [1]
HKD 10,000

Entry charge
Up to 5.00%

Annual management fee
1.5%

Ongoing charges
1.86% (31/08/2015)

Credit ratings*

(average rating: BBB)

in %	Fund	Index
AAA	0.7	0.0
AA	0.0	0.1
A	32.6	38.7
BBB	40.1	50.4
BB	11.9	10.0
CCC and Below	0.1	0.0
Not Rated	13.6	0.8
Cash and FX	0.8	0.0

Currency exposure*

in %	Fund	Index
Dollar Bloc	87.4	81.8
Europe	12.6	18.2

Weighted average duration*

in years	Fund	Index
Dollar Bloc	4.2	4.1
Europe	0.9	0.8

Yield %*

Gross Current Yield	6.98
Gross Redemption Yield	6.86

3 year characteristics**

Alpha	-1.56
Beta	0.99
Correlation	0.98
Information ratio	-0.73
Sharpe ratio	-0.47
Tracking error in %	2.11
Volatility in %	12.05

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. **Morningstar.

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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. 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. 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. The risks described herein are the fund specific material risks. For more information please consult the current fund and share class specific Key Investor Information Document (KIID) and for a complete set of risks the current prospectus.

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.

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