Invesco Emerging Local Currencies Debt Fund

A (HKD)-MD Shares

28 February 2019

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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 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

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 323.93 mn

Reference index
JP Morgan GBI-EM Global Diversified Composite

Bloomberg code
INELADH LX

ISIN code
LU0607523114

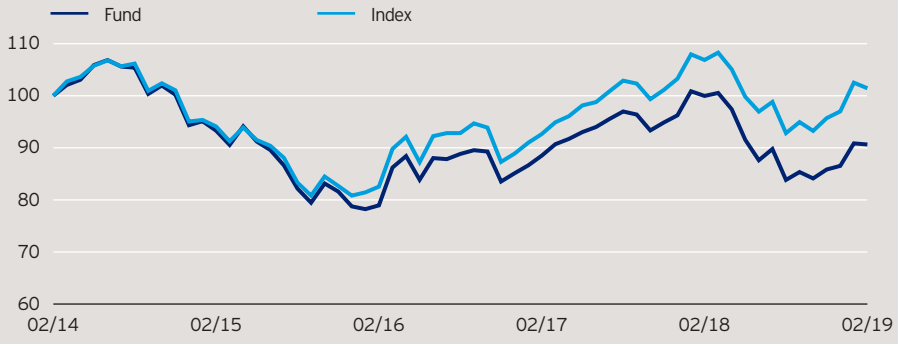
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★

Quarterly fund commentary

Emerging market local currency bonds returned 2.11% for the quarter, as measured by the J.P. Morgan GBI-EM Global Diversified Index. The index yield ended the period at 6.46%. Returns in local currency terms were positive for the quarter while EMFX depreciated versus USD and EUR. Broad commodities were lower for the period driven by energy and industrial metals prices. The dollar was stronger against global currencies on a trade weighted basis and versus a basket of EM currencies. We believe country growth differentials will favour EM in 2019. EM currencies may stand to benefit from a pricing in of US growth moderation versus the rest of the world as this may weaken the US dollar. For EM local rates we see excess inflation risk premium in a number of EM local yield curves, which, if coupled with currency stability could lead to favourable gains for EM local assets in 2019, in contrast to the volatility experienced in 2018. EM local assets therefore have the potential to outperform EM credit in our view, especially in early 2019 as markets may tend to price in "peak growth".

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	4.75	-0.23	-9.33	14.81	-9.36
Index	4.58	-1.05	-5.08	22.88	1.44

Calendar year performance*

in %	2014	2015	2016	2017	2018
Fund	-6.70	-16.52	8.08	13.06	-10.09
Index	-5.70	-14.97	9.98	16.17	-6.07

Standardised rolling 12 month performance*

in %	28.02.14 28.02.15	28.02.15 28.02.16	28.02.16 28.02.17	28.02.17 28.02.18	28.02.18 28.02.19
Fund	-6.71	-15.37	12.09	12.96	-9.33
Index	-5.90	-12.27	12.23	15.36	-5.08

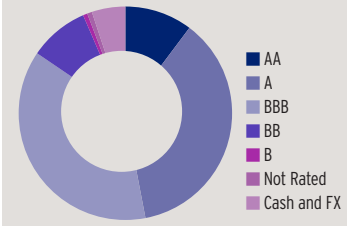
Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.

*Source: © 2019 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Gross income re-invested to 28 February 2019 unless otherwise stated. The figures do not reflect the entry charge payable by individual investors. All performance data on this factsheet is in the currency of the share class. Reference Index Source: Factset.

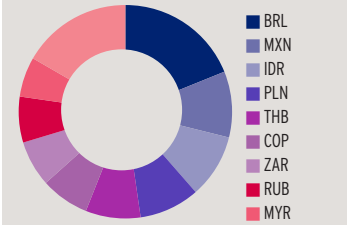
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Credit ratings of the fund in %*



Currency exposure of the fund in %*



NAV and fees

Current NAV
HKD 59.16

12 month price high
HKD 68.76 (27/03/2018)

12 month price low
HKD 54.74 (05/09/2018)

Minimum investment [1]
HKD 10,000

Entry charge
Up to 5.00%

Annual management fee
1.5%

Ongoing charges [2]
1.86%

Credit ratings*

(average rating: BBB+)

in %	Fund	Index
AA	10.2	7.4
A	36.7	36.8
BBB	37.5	39.5
BB	9.0	14.5
B	0.7	0.6
Not Rated	0.7	1.3
Cash and FX	5.1	0.0

Duration distribution*

(average duration: 5.6)

in %	Fund	Index
Under 3 years	16.7	29.3
3-4 years	8.9	12.4
4-5 years	19.3	11.3
5-6 years	15.5	12.7
6+ years	39.5	34.3

Sector weightings*

in %	Fund	Index
Local Debt	94.9	100.0
Cash and FX	5.1	0.0

Yield %*

Gross Current Yield	6.02
Gross Redemption Yield	5.44

Currency exposure*

in %	Fund	Index
BRL	18.9	10.0
MXN	10.0	10.0
IDR	9.7	9.7
PLN	9.2	9.1
THB	8.3	8.4
COP	7.4	7.3
ZAR	7.0	8.3
RUB	6.9	7.3
MYR	6.1	5.9
Others	16.7	24.1

Maturity distribution*

in %	Fund	Index
0-3 years	5.0	22.8
3-7 years	37.8	34.1
7-10 years	24.7	19.6
10-15 years	13.1	12.2
15+ years	13.7	11.4
Others	5.7	0.0

Geographical weightings*

in %	Fund	Index
Mexico	12.5	10.0
Indonesia	11.9	9.7
South Africa	9.5	8.3
Poland	9.2	9.1
Czech Republic	7.6	4.2
Thailand	6.6	8.4
Colombia	6.2	7.3
Malaysia	5.4	5.9
Others	26.1	37.1
Cash and FX	5.1	0.0

3 year characteristics**

Alpha	-2.18
Beta	0.99
Correlation	0.98
Information ratio	-1.09
Sharpe ratio	0.27
Tracking error in %	2.05
Volatility in %	11.63

For detailed information about the 3 year characteristics please see http://assets.invescohub.com/invesco-eu/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.

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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. 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 uses derivatives (complex instruments) for investment purposes, which may result in the fund being significantly 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 in the value of the fund. Investments in debt instruments which are of lower credit quality 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.
[2]The ongoing charges figure is based on annualised expenses for the period ending August 2018. 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.

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