Invesco Emerging Market Corporate Bond Fund

A (EUR Hgd)-Acc Shares

28 February 2019

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Summary of fund objective

The objective of the Fund is to achieve a high income yield and long-term capital appreciation by investing primarily in debt securities of emerging market corporate issuers. 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
August 2015



Robert Turner
Atlanta
Managed fund since
June 2017

Share class launch
04 May 2011

Original fund launch
04 May 2011

Legal status
Luxembourg SICAV with UCITS status

Share class currency
EUR

Share class type
Accumulation

Fund size
USD 106.43 mn

Reference index
JPM CEMBI Broad Diversified Index

Bloomberg code
IEMCAEH LX

ISIN code
LU0607516928

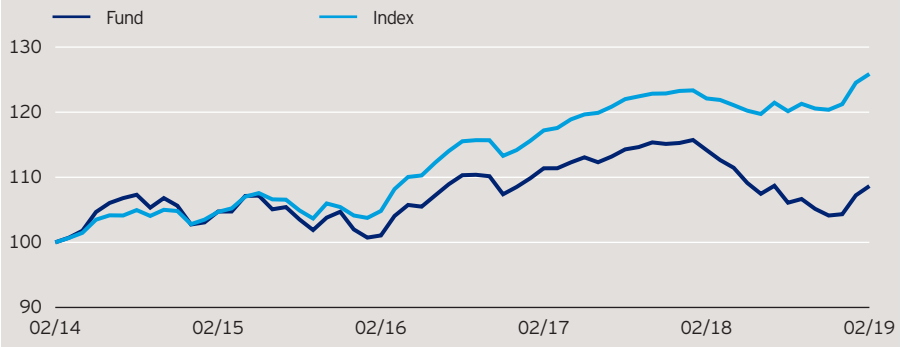
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★

Quarterly fund commentary

Emerging market (EM) corporate bonds posted a total return of -0.04% for the period, as measured by the J.P. Morgan CEMBI Broad Diversified. EM corporate credit spreads widened (the premium over government bonds that companies need to pay to borrow) 66 basis points (bps) to end the period at 352bps. Treasuries rates fell 38bps to end at 2.68%. High Yield underperformed Investment Grade corporate bonds for the period. Returns were mixed across regions with Middle East and Africa underperforming while Europe and Asia outperformed. Broad commodities were lower for the period driven by energy and industrial metals prices. The dollar was stronger against global currencies versus a basket of EM currencies. We believe country economic growth differentials will favor EM in 2019. US growth is expected to be in the 1.5% to 2.5% range which will allow Federal Reserve to slow interest rate hikes. We are cautious on EM, however, due to expected large new bond issue supply in the first quarter of the 2019, increased volatility in Developed Market corporate bond markets, increasing geopolitical surprises, and lack of visibility regarding US trade polices with China. As prices in stock markets adjust, the market is monitoring tightening financial conditions (reduction in monetary stimulus) via higher US interest rates and stronger USD while paying less credence to supportive EM fundamentals.

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	4.14	1.33	-4.84	7.51	8.65
Index	3.83	1.08	3.08	20.08	25.87

Calendar year performance*

in %	2014	2015	2016	2017	2018
Fund	4.93	-0.74	6.39	6.23	-9.49
Index	4.96	1.30	9.65	7.96	-1.65

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	4.74	-3.51	10.21	2.51	-4.84
Index	4.69	0.13	11.81	4.19	3.08

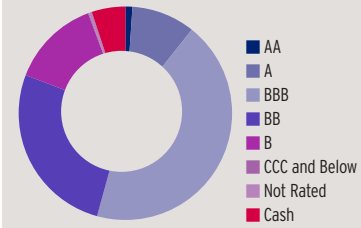
Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.

*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, apart from the index performance which is shown in USD. Reference Index Source: Bloomberg.

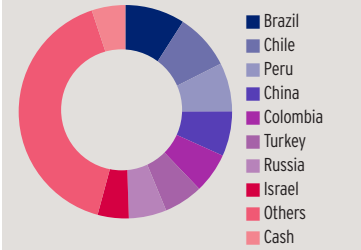
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Credit ratings of the fund in %*



Geographical weightings of the fund in %*



NAV and fees

Current NAV
EUR 12.85

12 month price high
EUR 13.51 (01/03/2018)

12 month price low
EUR 12.27 (28/11/2018)

Minimum investment [1]
EUR 1,000

Entry charge
Up to 5.00%

Annual management fee
1.5%

Ongoing charges [2]
1.80%

Credit ratings*

(average rating: BB+)

in %	Fund	Index
AA	1.1	3.1
A	9.6	19.3
BBB	43.6	39.3
BB	26.5	19.0
B	13.5	13.7
CCC and Below	0.1	1.3
Not Rated	0.5	4.3
Cash	5.1	0.0

Duration distribution*

(average duration: 4.7)

in %	Fund	Index
Under 3 years	23.6	31.9
3-4 years	16.1	23.0
4-5 years	19.8	14.3
5-6 years	14.4	9.2
6+ years	26.1	21.6

Sector weightings*

in %	Fund	Index
Corporates	60.8	72.2
Quasi-Sovereign	27.6	27.5
Sovereign	5.5	0.3
Local Debt	1.0	0.0
Cash	5.1	0.0

Yield %*

Gross Current Yield	5.19
Gross Redemption Yield	5.47

Geographical weightings*

in %	Fund	Index
Brazil	9.1	5.3
Chile	8.5	4.0
Peru	7.4	3.9
China	6.8	5.7
Colombia	6.1	3.9
Turkey	5.9	4.0
Russia	5.7	4.1
Israel	4.7	3.1
Others	40.7	66.0
Cash	5.1	0.0

Maturity distribution*

in %	Fund	Index
0-3 years	11.4	17.7
3-7 years	43.8	47.9
7-10 years	25.4	18.4
10-15 years	3.3	2.1
15+ years	11.4	14.0
Others	4.7	0.0

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%.

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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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