



Invesco Euro Bond Fund E-Acc Shares

31 December 2016

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Summary of fund objective

The Fund aims to provide long-term capital growth, together with income. The Fund seeks to achieve its objective by investing primarily in a diversified portfolio of debt securities denominated in Euro, issued worldwide by corporations, and governments, supranational bodies, local authorities and national public bodies. For the full objectives and investment policy please consult the current prospectus.

Key facts



Lyndon Man
London
Managed fund since
September 2013



Luke Greenwood
London
Managed fund since
April 2016

Share class launch

14 August 2000

Original fund launch

01 April 1996

Legal status

Luxembourg SICAV with UCITS status

Share class currency

EUR

Share class type

Accumulation

Fund size

EUR 792.65 mn

Reference index

Bloomberg Barclays Euro-Aggregate Index

Bloomberg code

INVPEBE LX

ISIN code

LU0115144304

Settlement date

Trade Date + 3 Days

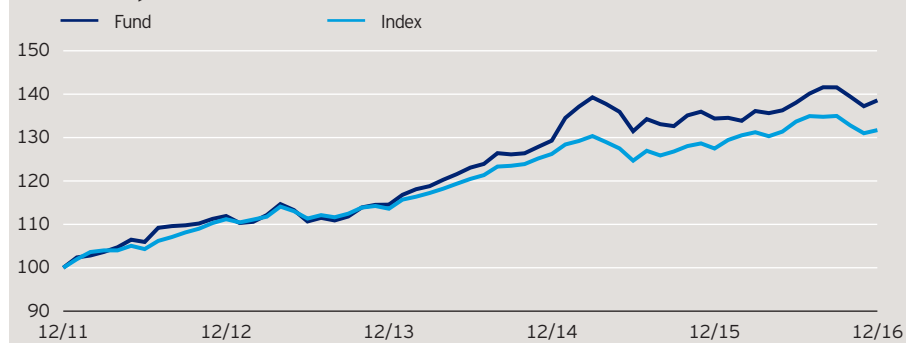
Morningstar Rating™

★★★★★

Quarterly fund commentary

Euro bond markets broadly delivered negative total returns during the fourth quarter despite finishing the year strongly. Corporate bonds tended to outperform their government counterparts. Politics dominated a quarter that saw Donald Trump voted the next US President, concerns around a 'Hard Brexit' grew and an Italian constitutional referendum resulted in the government-supported constitutional reforms being widely rejected. Inflation expectations also rose primarily due to a stabilisation of oil prices whilst there was also an increasing sense within the market that monetary policy has reached the limits of its efficacy. In their last meeting of 2016, the European Central Bank (ECB) announced a scaling back of its quantitative easing programme. From April 2017 the ECB will reduce the amount of monthly purchases made through the programme by €20bn. The programme will however be extended to December 2017. The fund is primarily invested in a diversified portfolio of euro sovereign and investment grade corporate bonds. We are predominantly neutral European peripheral government bonds and instead focusing on relative value with a preference for Spain over Italy. We believe ECB policy will remain supportive and are constructive on European investment grade bonds with a preference for BBB rated bonds; whilst we have selective exposure to subordinated financials issued by core European banks.

Indexed performance*



Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	3.12	0.98	3.12	20.98	38.57
Index	3.32	0.55	3.32	15.94	31.72

Calendar year performance*

in %	2012	2013	2014	2015	2016
Fund	11.92	2.34	12.88	3.94	3.12
Index	11.19	2.17	11.10	1.00	3.32

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	11.92	2.34	12.88	3.94	3.12

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.invescoeuropa.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)
EUR	79.04	99.99	19.05	98.09	6.47	6.55
GBP	19.52	0.00	-18.85	0.67	0.18	0.00
PLN	1.61	0.00	-1.18	0.43	0.04	0.00
NOK	0.64	0.00	-0.60	0.04	0.03	0.00
SEK	0.20	0.00	0.00	0.20	0.00	0.00
DKK	0.04	0.00	0.51	0.56	0.00	0.00
CHF	0.01	0.00	0.00	0.01	0.00	0.00
Total	101.06	99.99	-1.07	100.00	6.72	6.55

Sector exposure*

	Fund in %	Index in %	WDR (Fund)	WDR (Index)	Fund Average Rating	Index Average Rating
Corporate	51.2	18.1	2.2	0.9	BBB-	AA
Sovereign	38.4	58.6	3.5	4.3	A-	A+
Quasi and Foreign Government	5.4	14.8	0.4	0.9	AA-	AA
Securitised	0.7	8.2	0.1	0.4	BBB	AA+
Other	-0.7	0.3	0.5	0.0	-	-
Cash and FX	5.0	0.0	0.0	0.0	-	-

Weighted average duration*

in years	Fund	Index
Europe	6.5	6.6
UK	0.2	0.0

NAV and fees

Current NAV
EUR 7.18
12 month price high
EUR 7.36 (08/09/2016)
12 month price low
EUR 6.84 (12/02/2016)
Minimum investment ¹
EUR 500
Entry charge
Up to 3.00%
Annual management fee
0.9%
Ongoing charges
1.19% (31/08/2015)

Credit ratings*

(average rating: BBB+)	Fund	Index
in %		
AAA	6.2	25.0
AA	9.0	31.6
A	13.0	10.1
BBB	50.1	33.1
BB	13.6	0.3
B	3.7	0.0
Not Rated	-0.5	0.0
Cash and FX	5.0	0.0

3 year characteristics**

Alpha	1.10
Beta	1.00
Correlation	0.86
Information ratio	0.44
Sharpe ratio	1.36
Tracking error in %	2.46
Volatility in %	4.81

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

Yield %*

Gross Current Yield	3.02
Gross Redemption Yield	2.41

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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 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 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

¹The minimum investment amounts are: EUR 500 / USD 650 / GBP 400 / CHF 650 / SEK 4,500.

Please contact us or refer to the most up to date Prospectus for details of minimum investment amounts in other currencies.

This share class may not be registered in all countries and dissemination is subject to prior verification of registration status.

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