Invesco India Bond Fund
A-Acc Shares

28 February 2019

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Summary of fund objective

The objective of the Fund is to generate income and long-term capital appreciation by investing primarily in a flexible allocation of Indian debt securities and Indian money-market instruments. For the full objectives and investment policy please consult the current prospectus.

Key facts



Ken Hu
Hong Kong
Managed fund since
May 2014



Jackson Leung
Hong Kong
Managed fund since
July 2015

Share class launch
23 April 2014

Original fund launch
23 April 2014

Legal status
Luxembourg SICAV with UCITS status

Share class currency
USD

Share class type
Accumulation

Fund size
USD 574.11 mn

Reference index
CRISIL 91 Day Treasury Bill Index

Bloomberg code
IIBAACU LX

ISIN code
LU0996662002

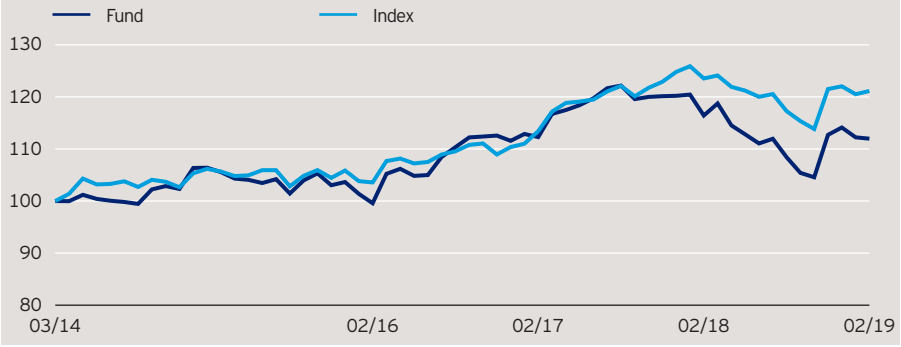
Settlement date
Trade Date + 3 Days



Quarterly fund commentary

During the fourth quarter, Indian fixed income markets experienced volatility due to a fall in crude oil prices, fluctuations in currency valuations and the release of weaker than anticipated inflation data. In October, the 10-year Indian Government Securities Index yield touched a high of 8.22%, before closing 80 basis points lower at 7.40% in December. However, the fund yield remained closer to 8.50% as around 5% of the sovereign bond allocation was replaced with higher yielding 'AAA' rated bonds. With the reduction of sovereign bond yields, we have also increased our overweight position in local currency 'AAA' rated corporate bonds. The new Reserve Bank of India Governor was able to manage the ongoing market concerns reasonably well. The Indian bond market remains evenly placed and poised to benefit from the positives of economic reforms, a contained fiscal policy (government budget is in surplus), and a well-regulated market. The sharp drop in food prices dragged down the CPI to 2.31%, opening up opportunities for a change in stance along with options of rate reductions during 2019. Indian Rupee has appreciated against other currencies since October, and emerged as the best performing Emerging Market currency, bringing down hedging costs to close to 4.0%. The fund maintains a modified duration (sensitivity to interest rate change) ~4.8 years to mitigate the effect of higher rates.

Indexed performance 23 April 2014 - 28 February 2019*



Each period starts at the end of the indicated month. The first indicated month may not represent a full month and may start only on the launch/restructuring date indicated in the headline.

Cumulative performance*

in %	YTD	1 month	1 year	3 years	Since inception
Fund	-1.88	-0.23	-3.82	12.45	11.97
Index	-0.74	0.52	-1.95	16.95	21.13

Calendar year performance*

in %	2014	2015	2016	2017	2018
Fund	-	1.30	7.64	7.75	-5.07
Index	-	3.13	4.26	13.08	-2.22

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	-	-6.41	12.76	3.69	-3.82
Index	-	-2.45	9.50	8.93	-1.95

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: Bloomberg. **Source: © 2019 Fitch Ratings, date of original rating action: 4 April 2018, www.fitchratings.com/site/pr/10025055. Any reference to a ranking, a rating or an award provides no guarantee for future performance results and is not constant over time.

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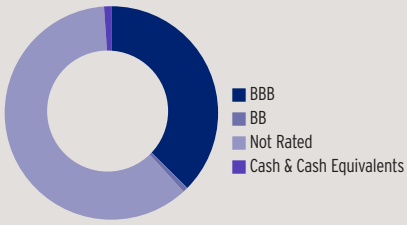
28 February 2019

Top 10 holdings*

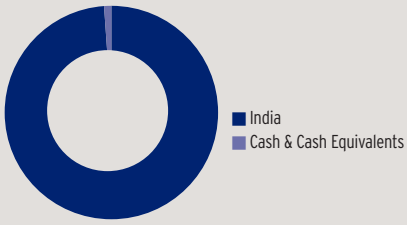
(total holdings: 107)

Holding	%
India Government Bond 6.790 Dec 26 29	8.2
India Government Bond 7.610 May 09 30	7.0
India Government Bond 7.170 Jan 08 28	4.8
Indiabulls Housing Finance 8.750 Feb 21 20	4.4
India Government Bond 7.720 May 25 25	4.2
State of Gujarat 7.210 Aug 09 27	3.4
India Government Bond 8.330 Jul 09 26	3.1
Dewan Housing Finance 9.250 Sep 09 23	2.6
India Government Bond 8.150 Nov 24 26	2.6
Indian Railway Finance Corp 7.650 Mar 15 21	2.5

Credit ratings of the fund in %*



Geographical weightings of the fund in %*



NAV and fees

Current NAV
USD 11.20

12 month price high
USD 12.03 (06/04/2018)

12 month price low
USD 10.31 (09/10/2018)

Minimum investment [1]
USD 1,500

Entry charge
Up to 5.00%

Annual management fee
1.25%

Ongoing charges [2]
1.59%

Credit ratings*

(average rating: BBB-)

	in %
BBB	37.4
BB	0.8
Not Rated	60.7
Cash & Cash Equivalents	1.1

Maturity distribution*

in %	
0-1 year	6.4
1-3 years	21.9
3-5 years	10.6
5-10 years	42.5
10-20 years	18.4
20+ years	0.1

Geographical weightings*

	in %
India	98.9
Cash & Cash Equivalents	1.1

Sector weightings*

	in %
Government Bonds	34.0
Government Related	20.4
Corporate Bonds	44.4
Financial	29.9
Industrial	9.9
Utility	4.7
Cash & Cash Equivalents	1.1

Duration distribution*

(average duration: 4.5)

in %	
0-1 year	6.8
1-3 years	23.6
3-5 years	16.5
5-7 years	35.5
7-10 years	17.4
10-15 years	0.1

Currency exposure*

	in %
INR	99.1
USD	0.9

Yield %*

Gross Current Yield	7.90
Gross Redemption Yield	8.46

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. 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. The fund may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events. As this fund is invested in a particular country, you should be prepared to accept greater fluctuations in the value of the fund than for a fund with a broader investment mandate. The fund invests in a limited number of holdings and is less diversified. This may result in 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. Investment in Indian securities may be restricted due to the unavailability of the relevant quota.

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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Previous Benchmark: India Government 3M T-Bill (USD) up to 31 March 2018. 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. 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 in English 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.

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