# Invesco Japanese Equity Advantage Fund
## E-Acc Shares

31 December 2016

**This marketing document is exclusively for use by Qualified Investors in Switzerland and Professional Clients in Continental European countries where this specific fund's share class is registered for sale. This document is not for consumer use, please do not redistribute.**

## Summary of fund objective

The investment objective of the Fund is to seek long term capital appreciation, measured in Yen, through investment primarily in the equity securities of companies domiciled in or exercising the predominant part of their economic activity in Japan and which are listed on any exchanges or over the counter markets. The Fund will invest in companies who make advantageous use not only of their capital but also of their intangible assets (for example, but not limited to, brand values, technical development or strong customer base). The Fund may also invest, on an ancillary basis, in debt securities convertible into common shares and other equity linked instruments. For the full objectives and investment policy please consult the current prospectus.

## Key facts



Tadao Minaguchi
Tokyo
Managed fund since
May 2006

**Share class launch**
30 September 2011

**Original fund launch** [1]
31 May 2006

**Legal status**
Luxembourg SICAV with UCITS status

**Share class currency**
EUR

**Share class type**
Accumulation

**Fund size**
JPY 141.28 bn

**Reference index**
TOPIX Index-TR

**Bloomberg code**
IJEAEAE LX

**ISIN code**
LU0607514980

**Settlement date**
Trade Date + 3 Days

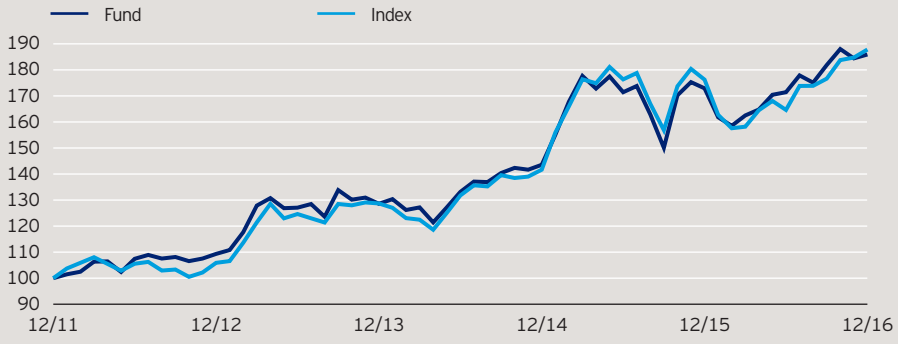
**Morningstar Rating™**
★★★★

## Quarterly fund commentary

**The fund was reopened to investment by existing shareholders only at 12 noon (Irish time) on 17 February 2016. However, the fund may still be subject to capacity constraints in the future and the Directors may need to close it to new subscriptions. For more information and future updates please go to http://invescomanagementcompany.lu.**

Japan's equity market ended the quarter higher, buoyed by a weakening of the yen relative to the dollar after the US presidential election result. The monetary easing environment in Japan combined with the prospect of expansionary fiscal policy in the US and strengthened expectations that the Federal Reserve will increase interest rates at a faster pace than previously anticipated, saw the yen weaken sharply. During the quarter, a new holding was introduced in a leading manufacturer of entertainment products due to its strong brand and robust free cashflow. Conversely, the fund's holdings in a manufacturer of factory automation products and an Indian restaurant chain were reduced post a period of strong performance. Although we would not be surprised to see the equity market give back some of its recent strong performance, we expect it to move higher on the back of the ongoing turnaround of the Japanese economy as well as improving earnings momentum into the middle of this year. Furthermore, most investors appear to overlook the ongoing progress of corporate governance reform; thus the risk-reward ratio of some Japanese stocks looks favorable, in our view. Against this backdrop, the fund continues to focus on what we view as high quality companies with robust free cash flow and strong brands.

## Indexed performance*




## Cumulative performance*

| in % | YTD | 1 month | 1 year | 3 years | 5 years |
|---|---|---|---|---|---|
| Fund | 7.52 | 0.81 | 7.52 | 44.60 | 85.91 |
| Index | 6.56 | 1.66 | 6.56 | 45.94 | 87.81 |

## Calendar year performance*

| in % | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|---|---|---|---|---|
| Fund | 9.33 | 17.60 | 11.65 | 20.46 | 7.52 |
| Index | 5.89 | 21.54 | 10.08 | 24.41 | 6.56 |

## 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 | 9.33 | 17.60 | 11.65 | 20.46 | 7.52 |

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.

# Invesco Japanese Equity Advantage Fund
E-Acc Shares

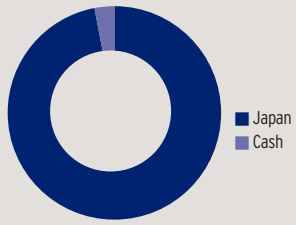
31 December 2016

## Top 10 holdings*

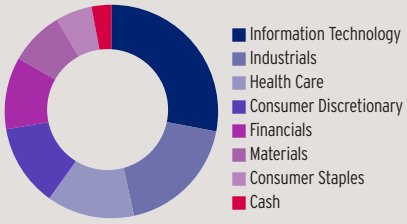
(total holdings: 46)

| Holding | Sector | % |
|---|---|---|
| Trend Micro | Information Technology | 4.7 |
| Shin-Etsu Chemical | Materials | 4.7 |
| Hoya | Health Care | 4.4 |
| East Japan Railway | Industrials | 4.2 |
| Ito En | Consumer Staples | 4.0 |
| Tsumura | Health Care | 4.0 |
| Keyence | Information Technology | 3.6 |
| Yokogawa Electric | Information Technology | 3.5 |
| Toyota Tsusho | Industrials | 3.4 |
| Orix | Financials | 3.4 |

**Geographical weightings of the fund in %***




**Sector weightings of the fund in %***




## Geographical weightings*

| | in % |
|---|---|
| Japan | 97.0 |
| Cash | 3.0 |

## Sector weightings*

| | in % |
|---|---|
| Information Technology | 28.0 |
| Industrials | 18.6 |
| Health Care | 13.3 |
| Consumer Discretionary | 12.5 |
| Financials | 10.9 |
| Materials | 8.2 |
| Consumer Staples | 5.5 |
| Cash | 3.0 |

## Financial characteristics*

| | |
|---|---|
| Average weighted market capitalisation | EUR 12.98 bn |
| Median market capitalisation | EUR 3.94 bn |

## 3 year characteristics**

| | |
|---|---|
| Alpha | 0.34 |
| Beta | 0.96 |
| Correlation | 0.95 |
| Information ratio | -0.06 |
| Sharpe ratio | 0.47 |
| Tracking error in % | 5.34 |
| Volatility in % | 14.94 |

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

## NAV and fees

**Current NAV**
EUR 18.74

**12 month price high**
EUR 19.15 (20/12/2016)

**12 month price low**
EUR 14.29 (12/02/2016)

**Minimum investment** [2]
EUR 500

**Entry charge**
Up to 3.00%

**Annual management fee**
2.0%

**Ongoing charges**
2.37% (31/08/2015)

Source: *Invesco. Portfolio weightings and allocations are subject to change. **Morningstar.

# Invesco Japanese Equity Advantage Fund
E-Acc Shares

31 December 2016

## 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 invests in a limited number of holdings and is less diversified, and therefore this may result in large fluctuations of 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 Original Fund Launch date shown herein is different from the fund launch date shown in the KIID, as it indicates the launch date of a previous fund that was merged into the fund shown and therefore the track record starts with this previous fund. Further information can be found on our website: www.invescoeurope.com.
[2]The 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.**

**This marketing document is exclusively for use by Professional Clients and Financial Advisers in Continental Europe and Qualified Investors in Switzerland. This document is not for consumer use, please do not redistribute. Data as at 31 December 2016, unless otherwise stated. This marketing document is not subject to regulatory requirements that ensure impartiality of investment recommendations and investment strategy recommendations. Therefore, the prohibition of trading before the release of investment recommendations and investment strategy recommendations does not apply.**

The Invesco Nippon Select Equity Fund merged into the Invesco Japanese Equity Advantage on 04.11.2011. The Invesco Japanese Equity Advantage Fund was formerly named Morgan Stanley Japanese Equity Advantage Fund, and it became the Invesco Japanese Equity Advantage Fund on 06/09/2010 as part of Invesco´s acquisition of Van Kampen Investments/Morgan Stanley Retail Asset Management Business. Past performance is not a guide to future returns. Where Invesco has expressed views and opinions, these may change. If investors are unsure if this product is suitable for them, they should seek advice from a financial adviser. The distribution and the offering of the fund or its share classes in certain jurisdictions may be restricted by law. Persons into whose possession this document may come are required to inform themselves about and to comply with any relevant restrictions. 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. Forecasts are not reliable indicators of future performance. The forecasts and market outlook presented in this material reflect subjective judgments and assumptions of the investment manager or its delegate and unexpected events may occur. There can be no assurance that developments will transpire as forecasted in this presentation. Where securities are mentioned in this document they do not necessarily represent a specific portfolio holding and do not constitute a recommendation to purchase, hold or sell. The ongoing charges figure is based on annualised expenses for the period ending 31/08/2015. 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. 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.

© 2016 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

**Additional information for Switzerland:** This document is issued in Switzerland by Invesco Asset Management (Schweiz) AG. The legal offering documents are available free of charge from the issuer of this document: Invesco Asset Management (Schweiz) AG, Talacker 34, CH-8001 Zürich, who acts as representative for the funds distributed in Switzerland. Paying agent for the funds distributed in Switzerland: BNP PARIBAS SECURITIES SERVICES, Paris, succursale de Zurich, Selnaustrasse 16; CH – 8002 Zürich. The fund is domiciled in Luxembourg.