Invesco Bond Fund
C-SD 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 invests primarily in debt instruments of governments, supranational bodies, local authorities, national public bodies and corporate issuers worldwide. The debt instruments invested in may include Mortgage Backed Securities (MBS) and Asset Backed Securities (ABS). For the full objectives and investment policy please consult the current prospectus.

Key facts



Lyndon Man
London
Managed fund since
March 2016



Josef Portelli
London
Managed fund since
March 2016

Share class launch
02 September 1992

Original fund launch [1]
04 January 1977

Legal status
Mutual Fund - Irish Unit Trust authorised as UCITS

Share class currency
USD

Share class type
Income

Fund size
USD 280.55 mn

Reference index
Bloomberg Barclays Global Aggregate (USD)

Bloomberg code
INVBDDB ID

ISIN code
IE0003702200

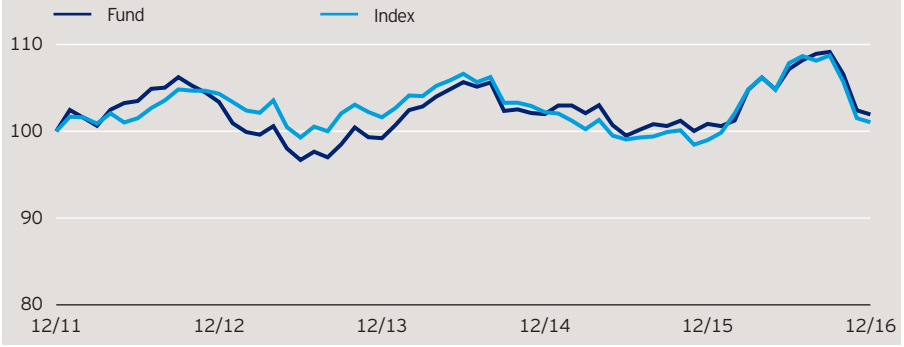
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★★★

Quarterly fund commentary

Government bond yields rose during the quarter as a combination of factors led to weakness in the markets. One of the most important of these is a rise in inflation expectations. Meanwhile, Donald Trump's surprise election as President of the United States led financial markets to focus on the President-elect's stated plans for large scale fiscal expansion. The negative effect of rising government bond yields fed through to other sectors. Investment grade corporate bonds, which are typically more sensitive to interest rate changes, underperformed higher credit risk parts of the corporate bond market such as high yield. The fund is currently positioned with a bias to the US dollar versus Asian ex Japan currencies. We have a preference for the government bonds of commodity exporting countries. The fund has a sizeable position in investment grade corporate bonds with a bias to European companies. Lastly, we have an allocation to US and UK inflation linked bonds. In the US, service price inflation is strong whilst in the UK sterling weakness is likely to create a favourable environment for inflation.

Indexed performance*



Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	1.08	-0.46	1.08	2.76	1.94
Index	2.09	-0.46	2.09	-0.55	1.04

Calendar year performance*

in %	2012	2013	2014	2015	2016
Fund	3.36	-4.02	2.80	-1.11	1.08
Index	4.32	-2.60	0.59	-3.15	2.09

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	3.36	-4.02	2.80	-1.11	1.08

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.

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C-SD Shares

31 December 2016

Currency exposure & duration weight*

	Fund in %	Index in %	Hedge in %	Currency in %	WDR (Fund)	WDR (Index)
USD	49.77	45.46	21.13	70.90	2.06	2.62
EUR	24.34	24.00	-8.13	16.20	1.37	1.57
GBP	7.90	5.22	-3.28	4.62	0.44	0.55
JPY	4.97	16.91	10.55	15.52	0.95	1.50
PLN	3.63	0.20	-3.43	0.20	0.15	0.01
NOK	3.05	0.11	-3.00	0.05	0.05	0.01
MXN	1.97	0.27	0.05	2.01	0.05	0.01
HUF	1.41	0.00	-1.43	-0.02	0.09	0.00
Other	3.55	7.82	-13.04	-9.50	0.57	0.51
Total	100.59	99.99	-0.58	99.98	5.73	6.78

Sector exposure*

	Fund in %	Index in %	WDR (Fund)	WDR (Index)	Fund Average Rating	Index Average Rating
Corporate	50.3	19.4	2.8	1.2	BBB-	AA
Sovereign	28.4	53.9	2.1	4.1	A	AA-
Security	8.7	15.2	0.1	0.7	B+	AA+
Quasi and Foreign Government	8.6	11.3	0.5	0.7	A-	AA
Other	0.0	0.3	0.3	0.0	-	-
Cash and FX	4.1	0.0	0.0	0.0	-	-

Yield %*

Gross Current Yield	3.83
Gross Redemption Yield	3.47

NAV and fees

Current NAV
USD 27.59

12 month price high
USD 30.09 (23/08/2016)

12 month price low
USD 27.31 (15/12/2016)

Minimum investment [2]
USD 1,000,000

Entry charge
Up to 5.00%

Annual management fee
0.5%

Ongoing charges
0.66% (30/11/2015)

Credit ratings*

(average rating: BBB)

in %	Fund	Index
AAA	5.3	11.9
AA	4.7	43.3
A	18.1	26.0
BBB	43.2	16.2
BB	15.1	0.8
B	9.1	0.0
CCC and Below	0.5	0.0
Not Rated	0.0	1.8
Cash and FX	4.1	0.0

Weighted average duration*

in years	Fund	Index
Dollar Bloc	2.7	3.0
Europe	1.7	1.7
Japan	1.0	1.5
UK	0.4	0.6

3 year characteristics**

Alpha	1.02
Beta	0.78
Correlation	0.88
Information ratio	0.39
Sharpe ratio	0.15
Tracking error in %	2.73
Volatility in %	5.03

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

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

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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. 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 Asset Backed Securities (ABS) (complex instruments) as well as lower quality debt securities which may impact the liquidity of the fund under certain circumstances. The fund may invest in distressed securities which carry a significant risk of capital loss. The fund may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events. The fund will 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

[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: USD 1,000,000 / EUR 800,000 / GBP 600,000 / CHF 1,000,000 / SEK 7,000,000. 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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Previous Benchmark: JP Morgan GBI Global (Traded) up to 31 July 2015. The index performance shown does not take into account the previous reference index. 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 30/11/2015. 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. Please refer to the most up to date relevant fund and share class-specific Key Investor Information Document for more information on our funds. 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. This document is issued in Germany by Invesco Asset Management Deutschland GmbH. This document is issued in Austria by Invesco Asset Management Österreich GmbH and in Switzerland by Invesco Asset Management (Schweiz) AG. 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 from the issuer: Invesco Asset Management Deutschland GmbH, An der Welle 5, D – 60322 Frankfurt am Main; Invesco Asset Management Österreich - Zweigniederlassung der Invesco Asset Management Deutschland GmbH, Rotenturmstrasse 16 - 18, 1010 Vienna as well as at Erste Bank der oesterreichischen Sparkassen AG, Graben 21, A-1010 Vienna acting as paying agent for funds registered for sale in Austria and 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 Ireland.

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