# Invesco Korean Equity Fund
## A (HKD)-Acc Shares

31 December 2017

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## Summary of fund objective

The objective of this Fund is to achieve long term capital growth by investing directly or indirectly in securities of Korean companies or other entities or subsidiaries of Korean companies and securities listed or traded on the Korean securities markets. For the full objectives and investment policy please consult the current prospectus.

## Key facts



Simon Jeong
Hong Kong
Managed fund since
May 2006

**Share class launch**
07 July 2011

**Original fund launch** [1]
01 February 1992

**Legal status**
Mutual Fund - Irish Unit Trust authorised as UCITS

**Share class currency**
HKD

**Share class type**
Accumulation

**Fund size**
USD 117.58 mn

**Reference index**
Korea Composite Stock Price Index-Price

**Bloomberg code**
INVKACH ID

**ISIN code**
IE00B4V7WX46

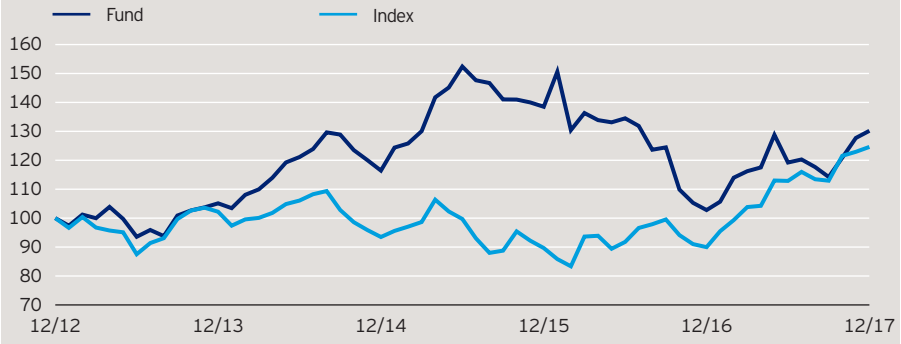
**Settlement date**
Trade Date + 3 Days

**Morningstar Rating™**
★★

## Quarterly fund commentary

South Korean equities produced strong returns in Q4, rising by +11.6%. Macroeconomic data was supportive to the equity market. In particular, exports surged 15.8% to US$574bn in 2017. Domestic consumption held up well and will likely benefit from the hike in the minimum wage and the supporting policies on employment and public welfare. During the quarter, Bank of Korea raised benchmark interest rate by 25 bps in response to stronger economic growth and a modest uptick in inflation. In terms of market sector performance, healthcare and consumer related sectors led the gains. The healthcare sector had a stellar run in 2017 with encouraging progress on clinical trials and approvals, and investors' sentiment towards consumer stocks have recovered as geopolitical tension with China eased. Our portfolio strategy continued to focus on companies with quality management and sustainable business models. This bottom-up stock preference has led to less exposure to companies with volatile earnings, such as technology companies. Instead, the portfolio has a tilt towards domestic Korean consumer staples, consumer discretionary and healthcare companies. We believe these companies are better positioned to benefit from the long-term growth opportunities in South Korea.

### 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 | 26.65 | 1.94 | 26.65 | 11.81 | 30.18 |
| Index | 38.51 | 1.38 | 38.51 | 33.32 | 24.62 |

### Calendar year performance*

| in % | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| Fund | 5.12 | 10.76 | 18.95 | -25.78 | 26.65 |
| Index | 2.21 | -8.54 | -4.08 | 0.35 | 38.51 |

### Standardised rolling 12 month performance**

| in % | 31.12.12 31.12.13 | 31.12.13 31.12.14 | 31.12.14 31.12.15 | 31.12.15 31.12.16 | 31.12.16 31.12.17 |
|---|---|---|---|---|---|
| Fund | 5.12 | 10.76 | 18.95 | -25.78 | 26.65 |

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: © 2017 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Gross income re-invested to 31 December 2017 unless otherwise stated. The figures do not reflect the entry charge payable by individual investors. **Gross income re-invested to 31 December 2017. All performance data on this factsheet is in the currency of the share class. Reference Index Source: Factset.

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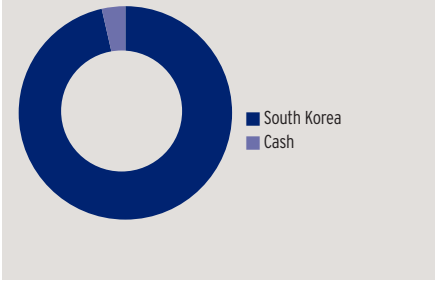
31 December 2017

## Top 10 holdings*

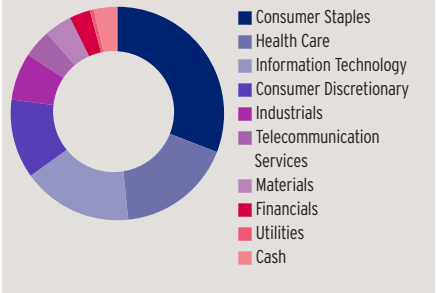
(total holdings: 23)

| Holding | Sector | % |
|---|---|---|
| Samsung Electronics | Information Technology | 8.5 |
| Green Cross Holdings | Health Care | 6.6 |
| E-Mart | Consumer Staples | 6.4 |
| Hanmi Pharm | Health Care | 6.4 |
| Kepco Plant Service & Engineering | Industrials | 5.0 |
| Yuhan | Health Care | 4.6 |
| NCsoft | Information Technology | 4.4 |
| Dongsuh | Consumer Staples | 4.4 |
| Ottogi | Consumer Staples | 4.4 |
| Hanssem | Consumer Discretionary | 4.3 |

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




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




## Geographical weightings*

| | in % |
|---|---|
| South Korea | 96.4 |
| Cash | 3.6 |

## Sector weightings*

| | in % |
|---|---|
| Consumer Staples | 30.9 |
| Health Care | 17.5 |
| Information Technology | 16.7 |
| Consumer Discretionary | 12.0 |
| Industrials | 7.2 |
| Telecommunication Services | 4.2 |
| Materials | 4.2 |
| Financials | 3.1 |
| Utilities | 0.6 |
| Cash | 3.6 |

## Financial characteristics*

| | |
|---|---|
| Average weighted market capitalisation | HKD 269.50 bn |
| Median market capitalisation | HKD 48.97 bn |

## NAV and fees

**Current NAV**
HKD 98.94

**12 month price high**
HKD 98.95 (28/12/2017)

**12 month price low**
HKD 76.98 (09/01/2017)

**Minimum investment** [2]
HKD 10,000

**Entry charge**
Up to 5.00%

**Annual management fee**
2.0%

**Ongoing charges**
2.38% (30/11/2016)

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

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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. As a large portion of the fund is invested in less developed countries, you should be prepared to accept significantly large fluctuations of the value of the fund. As this fund is invested in a particular geographical region, you should be prepared to accept greater fluctuations of 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, and therefore this may result in large fluctuations of the value of the fund.

## 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 1,500 / 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.

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