Invesco India Bond Fund
C-Gross-MD Shares

31 December 2016

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Summary of fund objective

The objective of the Fund is to generate income and long-term capital appreciation. The Fund will invest primarily in debt instruments issued and/or guaranteed by the Indian government or by Indian companies, 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
19 August 2015

Original fund launch
23 April 2014

Legal status
Luxembourg SICAV with UCITS status

Share class currency
USD

Share class type
Income

Fund size
USD 86.89 mn

Reference index
India Government 3M T-Bill (USD)

Bloomberg code
IIBACGU LX

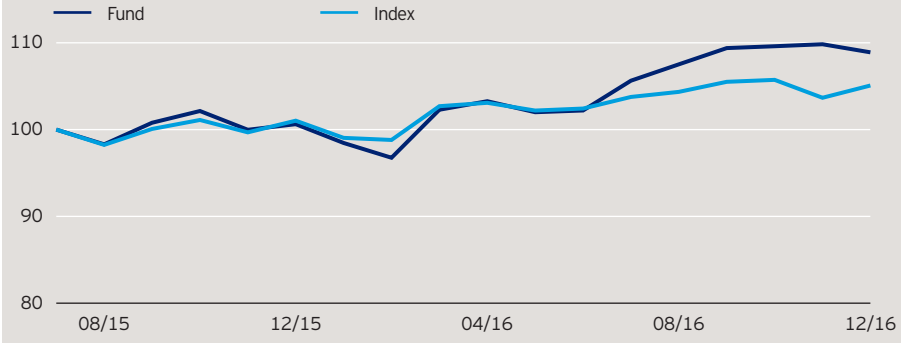
ISIN code
LU1252824823

Settlement date
Trade Date + 3 Days

Quarterly fund commentary

The Indian economy is changing after the demonetisation of some banknotes in November. Bank deposits swelled, and surplus liquidity resulted in lower bond yields. Having cut India's main interest rate by 25 basis points (bps) in October to 6.25%, the Reserve Bank of India (RBI) kept interest rates unchanged in December. Following demonetisation, consumption slowed, resulting in lower growth and inflation estimates. Bond yields softened by about 30 bps while the rupee held steady despite the US Federal Reserve interest rate rise, demonetisation and repayment of foreign deposits. Stable macroeconomic data, the Government's resolve to lower the fiscal deficit and dovish monetary policy supported market sentiment. These factors and potential increases in tax collection and lower food prices are key economic positives in the medium term. The premium for investing in corporate bonds over government bonds is expected to decrease, and a reduction in interest rates is likely. The fund maintains a modified duration (a measure of sensitivity to interest rate changes) of around 6 years, with a large position in higher locally rated bonds to benefit from potential yield decline. In our view the interest rate and credit markets in India support prospects for steady income and stable inflation along with real GDP growth of around 7.0%.

Indexed performance*



Cumulative performance*

in %	YTD	1 month	1 year	3 years	Since inception
Fund	8.23	-0.85	8.23	-	8.90
Index	4.01	1.36	4.01	-	5.09

Calendar year performance*

in %	2012	2013	2014	2015	2016
Fund	-	-	-	-	8.23
Index	-	-	-	-	4.01

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	-	-	-	-	8.23

The standardised rolling 12 month performance information is updated on a quarterly basis beginning one year after the share class launch. As the share class was launched on 19 August 2015, data is not available for the complete period covered by the table. 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: Bloomberg. **There is currently a discretionary cap of operating expenses at a maximum of 0.10% in place. This figure forms part of the ongoing charge and may positively impact the performance of the Share Class.**

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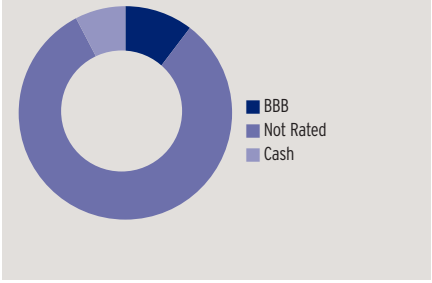
31 December 2016

Top 10 holdings*

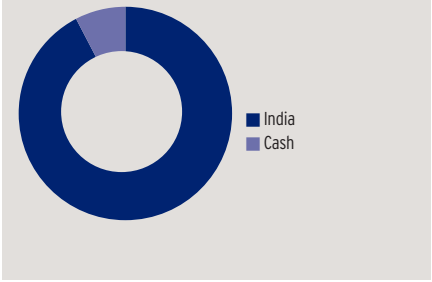
(total holdings: 56)

Holding	%
Power Grid Corporation of India 8.200 Jan 23 30	6.7
Reliance Jio Infocomm 9.000 Jan 21 25	3.8
Axis Bank 8.850 Dec 05 24	3.6
Food Corporation of India 9.950 Mar 07 22	3.5
Indian Railway Finance 9.470 May 10 31	3.1
IDFC 8.670 Jan 03 25	2.9
Export Import Bank Of India 8.870 Oct 30 29	2.8
HDFC 8.430 Mar 04 25	2.8
Punjab National Bank 8.230 Feb 09 25	2.8
Power Finance Corporation 8.650 Dec 28 24	2.7

Credit ratings of the fund in %*



Geographical weightings of the fund in %*



NAV and fees

Current NAV
USD 9.91

12 month price high
USD 10.17 (05/10/2016)

12 month price low
USD 9.26 (26/02/2016)

Minimum investment [1]
USD 1,000,000

Entry charge
Up to 5.00%

Annual management fee
0.75%

Ongoing charges
1.16% (estimated 31/08/2015)

Credit ratings*

(average rating: BBB-)

	in %
BBB	10.3
Not Rated	82.0
Cash	7.7

Maturity distribution*

in %	
0-3 years	9.1
3-7 years	11.4
7-10 years	51.5
10-15 years	27.0
15+ years	1.1

Geographical weightings*

	in %
India	92.4
Cash	7.7

Currency exposure*

	%
Indian Rupee	88.6
US Dollar	11.4

Sector weightings*

	in %
Corporate	88.1
Sovereign	4.3
Cash	7.7

Duration distribution*

(average duration: 5.6)

in %	
Under 3 years	13.3
3-4 years	6.3
4-5 years	1.6
5-6 years	37.1
6+ years	41.8

Yield %*

Gross Current Yield	8.06
Gross Redemption Yield	7.41

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. 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. 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. 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. Investment in Indian securities may be restricted due to the unavailability of the relevant quota. 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 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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