

# Invesco Pan European High Income Fund C (USD Hgd)-Acc Shares

28 February 2019

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## Summary of fund objective

The Fund aims to achieve a high level of income together with long-term capital growth. The Fund seeks to achieve its objective by investing primarily in European securities (debt and equity). At least 50% of the NAV will be invested in debt securities. For the full objectives and investment policy please consult the current prospectus.

## Key facts



**Paul Causer**  
Henley -on- Thames  
Managed fund since  
March 2006



**Paul Read**  
Henley -on- Thames  
Managed fund since  
July 2008



**Stephanie Butcher**  
Henley -on- Thames  
Managed fund since  
February 2012

**Share class launch**  
11 November 2015

**Original fund launch**  
31 March 2006

**Legal status**  
Luxembourg SICAV with UCITS status

**Share class currency**  
USD

**Share class type**  
Accumulation

**Fund size**  
EUR 9.51 bn

**Reference index**  
Mstar GIF OS EUR Cautious Allocation

**Bloomberg code**  
IPEHICU LX

**ISIN code**  
LU1297946748

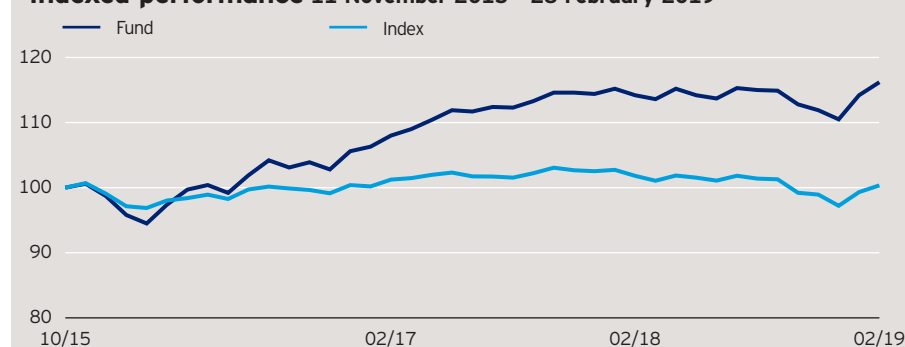
**Settlement date**  
Trade Date + 3 Days

**Morningstar Rating™**  
★★★★★

## Quarterly fund commentary

European high yield bond and equity markets delivered negative returns over the final three months of 2018. This weakness was the result of a combination of factors including the proposed Italian budget deficit, Brexit, trade tensions between the US and China, concerns over the pace of US interest rate hikes and falling crude oil prices. Within the high yield sector there was also some company specific volatility with the market punishing weak companies. This particularly impacted the retail and consumer services sectors. Fund positioning remains defensive, with relatively high levels of liquidity (cash, government bonds and short dated securities). The fund's allocation to non-financial high yield bonds is focused on high quality companies we consider carry a lower risk of default. Our largest sectoral allocation remains financials. Through the fund's equity allocation, we can benefit from an additional and potentially diversifying income stream, along with potential capital appreciation. As at 31 December 2018, 21% of the portfolio's assets were held in equities.

## Indexed performance 11 November 2015 - 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  | 5.16 | 1.75    | 1.75   | 22.96   | 16.20           |
| Index | 3.22 | 1.04    | -1.43  | 3.60    | 0.36            |

## Calendar year performance\*

| in %  | 2014 | 2015 | 2016 | 2017 | 2018  |
|-------|------|------|------|------|-------|
| Fund  | -    | -    | 6.99 | 8.33 | -3.41 |
| Index | -    | -    | 1.34 | 2.13 | -5.17 |

## Standardised rolling 12 month performance\*

| in %  | 28.02.14<br>28.02.15 | 28.02.15<br>28.02.16 | 28.02.16<br>28.02.17 | 28.02.17<br>28.02.18 | 28.02.18<br>28.02.19 |
|-------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Fund  | -                    | -                    | 14.29                | 5.74                 | 1.75                 |
| Index | -                    | -                    | 4.50                 | 0.57                 | -1.43                |

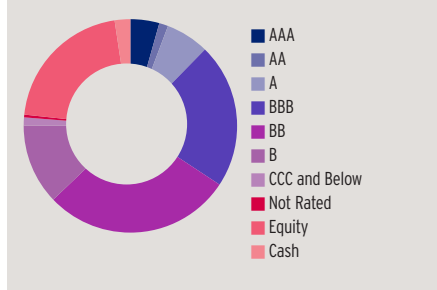
Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.

\*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, apart from the index performance which is shown in EUR. Reference Index Source: Morningstar.

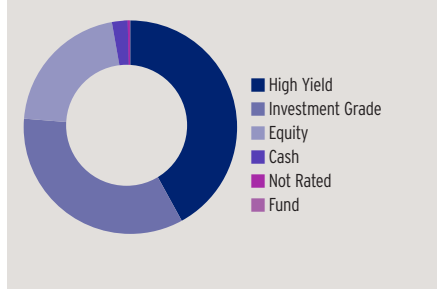
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Credit ratings of the fund in %\*



Asset breakdown of the fund in %\*



## NAV and fees

### Current NAV

USD 11.62

### 12 month price high

USD 11.62 (27/02/2019)

### 12 month price low

USD 11.01 (27/12/2018)

### Minimum investment <sup>1</sup>

USD 1,000,000

### Entry charge

Up to 5.00%

### Annual management fee

0.8%

### Ongoing charges <sup>2</sup>

1.06%

## Top 10 Equity Holdings (%)\*

|                 | Fund |
|-----------------|------|
| Roche           | 0.98 |
| Novartis        | 0.93 |
| Sanofi          | 0.82 |
| Total           | 0.78 |
| Orange          | 0.70 |
| Allianz         | 0.65 |
| Intesa Sanpaolo | 0.63 |
| Carrefour       | 0.63 |
| Siemens         | 0.62 |
| Telefonica      | 0.61 |

## Credit ratings\*

(average rating: BB+)

|               | in % |
|---------------|------|
| AAA           | 4.4  |
| AA            | 1.4  |
| A             | 6.6  |
| BBB           | 22.0 |
| BB            | 28.6 |
| B             | 12.2 |
| CCC and Below | 1.2  |
| Not Rated     | 0.4  |
| Equity        | 20.9 |
| Cash          | 2.4  |

## Yield %\*

|                        |      |
|------------------------|------|
| Gross Current Yield    | 4.31 |
| Gross Redemption Yield | 3.46 |

## Top 10 Bond Issuers (%)\*

|               | Fund |
|---------------|------|
| Unicredit     | 2.34 |
| Intesa        | 2.20 |
| KFW           | 1.92 |
| HSBC          | 1.82 |
| Santander     | 1.71 |
| Lloyds        | 1.60 |
| Enel          | 1.55 |
| EDF           | 1.53 |
| Italy         | 1.47 |
| United States | 1.28 |

## Asset breakdown\*

|                  | in % |
|------------------|------|
| High Yield       | 42.0 |
| Investment Grade | 34.3 |
| Equity           | 20.9 |
| Cash             | 2.4  |
| Not Rated        | 0.3  |
| Fund             | 0.1  |

## Modified duration\*

|                   | in % |
|-------------------|------|
| Modified duration | 3.1  |

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%.

The Modified duration is calculated on the bond portion of the fund only.

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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. The Fund may invest in a dynamic way across assets/asset classes, which may result in periodic changes in the risk profile, underperformance and/or higher transaction costs. 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. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund.

## Important Information

<sup>1</sup>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.

<sup>2</sup>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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