Invesco Euro Short Term Bond Fund
R-Acc Shares

28 February 2019

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Summary of fund objective

The objective of the Fund is to provide capital growth by investing primarily in short term investment grade debt securities (including Money Market Instruments and money market funds) denominated in Euro. For the avoidance of doubt, the Fund will not invest greater than 10% of its NAV in money market funds. For the full objectives and investment policy please consult the current prospectus.

Key facts



Luke Greenwood
London
Managed fund since
August 2013



Lyndon Man
London
Managed fund since
August 2013

Share class launch
04 May 2011

Original fund launch
04 May 2011

Legal status
Luxembourg SICAV with UCITS status

Share class currency
EUR

Share class type
Accumulation

Fund size
EUR 888.96 mn

Reference index
Bloomberg Barclays Euro Aggregate 1-3 Year Index

Bloomberg code
IESTRAE LX

ISIN code
LU0607519948

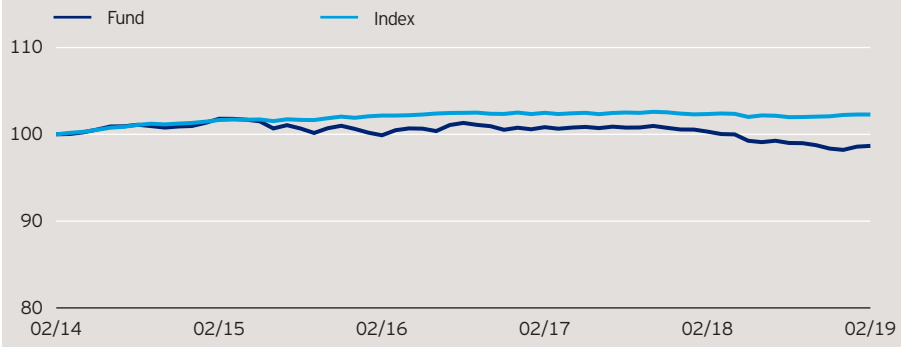
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★

Quarterly fund commentary

The fourth quarter saw further spells of financial market volatility led by continued trade tensions between the US and China, fears of recession, and Brexit concerns. The increased levels of volatility in the market raised demand for the perceived safety of core government bond markets. The European Central Bank (ECB) reiterated its positive outlook for the Eurozone. However, Mario Draghi, president of the ECB stated that slower growth lies ahead for the eurozone, reflecting persistently weak data for the region in recent months. The ECB also announced the end of its €2.3tn quantitative easing (QE) programme, and that the ECB's policy interest rates would remain at their current levels until at least the summer of 2019. Against this macro-economic backdrop, European government bonds outperformed European corporate bonds during the period. European investment grade bonds outperformed European high yield. Performance was negative across all European corporate bonds sectors. Corporate bonds are a core component and we remain positive on euro investment grade corporate bonds with a preference for BBB rated bonds. In addition, the fund has an allocation to UK and US corporate bonds with currency exposure hedged to euro. Positioning has been more defensive as geopolitical disruptions have increased therefore the level of cash in the fund has been allowed to rise. This stands ready to be put to work as opportunities to invest in companies with strong fundamentals arise. We remain active in euro peripheral sovereign bonds (non-core) but see little value at this juncture.

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	0.47	0.09	-1.64	-1.22	-1.33
Index	0.05	0.00	-0.05	0.12	2.28

Calendar year performance*

in %	2014	2015	2016	2017	2018
Fund	1.78	-0.33	0.14	-0.20	-2.34
Index	1.80	0.59	0.59	-0.12	-0.15

Standardised rolling 12 month performance*

in %	28.02.14 28.02.15	28.02.15 28.02.16	28.02.16 28.02.17	28.02.17 28.02.18	28.02.18 28.02.19
Fund	1.79	-1.87	0.94	-0.51	-1.64
Index	1.65	0.50	0.31	-0.14	-0.05

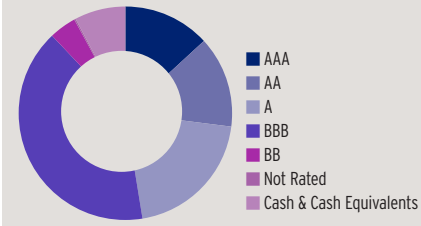
Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.

*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. Reference Index Source: Factset.

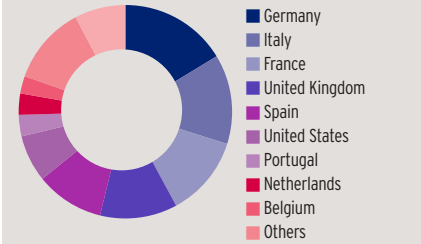
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Credit ratings of the fund in %*



Geographical weightings of the fund in %*



NAV and fees

Current NAV
EUR 10.52

12 month price high
EUR 10.70 (01/03/2018)

12 month price low
EUR 10.46 (08/01/2019)

Minimum investment [1]
EUR 1,000

Entry charge
0.00%

Annual management fee
0.6%

Ongoing charges [2]
1.47%

Credit ratings*

(average rating: A-)

	in %
AAA	13.2
AA	13.9
A	20.4
BBB	40.5
BB	4.1
Not Rated	0.2
Cash & Cash Equivalents	7.7

Duration distribution*

(average duration: 1.8)

in %	
0-1 year	28.1
1-3 years	37.3
3-5 years	32.4
5-10 years	2.1
10-20 years	0.0
20+ years	0.0

Sector weightings*

	in %
Government Bonds	44.3
Government Related	3.4
Corporate Bonds	42.3
Industrial	20.3
Financial	19.9
Utility	2.1
Securitised	2.1
Collective Investment Scheme	0.2
Cash & Cash Equivalents	7.7

Yield %*

Gross Current Yield	2.14
Gross Redemption Yield	0.67

Geographical weightings*

	in %
Germany	16.3
Italy	13.6
France	12.3
United Kingdom	11.7
Spain	10.4
United States	7.1
Portugal	3.3
Netherlands	3.2
Belgium	2.6
Others	11.9
Cash & Cash Equivalents	7.7

Maturity distribution*

in %	
0-1 year	22.6
1-3 years	38.1
3-5 years	35.6
5-10 years	3.5
10-20 years	0.3
20+ years	0.1

Currency exposure*

	in %
EUR	100.0

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%.

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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 uses derivatives (complex instruments) for investment purposes, which may result in the fund being significantly leveraged and may result in large fluctuations in the value of the fund.

Important Information

[1]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.
[2]As a result of the introduction of a material change in the fee structure, the ongoing charges figure is estimated based on the expected total of charges. 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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