# Invesco Pan European High Income Fund
## Z-AD Shares

31 December 2017

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## Summary of fund objective

The Fund aims to provide to Shareholders long-term total return growth from an actively managed, diversified portfolio investing primarily in higher yielding European debt securities and to a lesser extent, equities. 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**
21 August 2013

**Original fund launch**
31 March 2006

**Legal status**
Luxembourg SICAV with UCITS status

**Share class currency**
EUR

**Share class type**
Income

**Fund size**
EUR 11.10 bn

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

**Bloomberg code**
INVADEU LX

**ISIN code**
LU0955861041

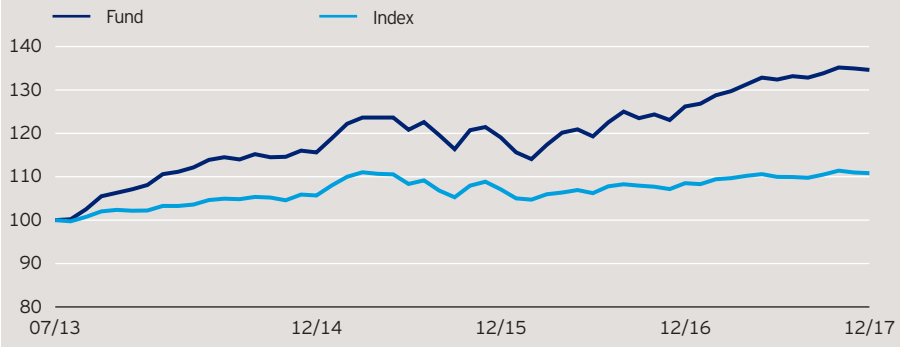
**Settlement date**
Trade Date + 3 Days

**Morningstar Rating™**
★★★★★

## Quarterly fund commentary

European high yield bond markets delivered a positive return over the final quarter of 2017. This came despite an abrupt sell-off within the high yield market during early November. However, the market's ongoing demand for income and the still strong fundamental position of much of the corporate sector meant losses were quickly recovered. Amid further signs of the health of economic activity in the Eurozone, European equity markets were broadly flat. The basic materials sector was among the best performers benefiting from an improvement in copper prices. On the other hand, the telecommunications and healthcare sectors were among the leading detractors. Overall positioning remains defensive, with 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. We continue to believe the best investment opportunities lie in the financial sector. We also like junior bonds across the insurance, utility and telecom sectors. Through the fund's equity allocation, we are able to benefit from an additional and potentially diversifying income stream, along with potential capital appreciation. We maintain an allocation of around 20% of the portfolio's assets in equities.

**Indexed performance 21 August 2013 - 31 December 2017***




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 | 6.68 | -0.25 | 6.68 | 16.44 | 34.62 |
| Index | 2.13 | -0.14 | 2.13 | 4.90 | 10.84 |

## Calendar year performance*

| in % | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| Fund | - | 7.94 | 2.98 | 5.99 | 6.68 |
| Index | - | 3.43 | 1.36 | 1.34 | 2.13 |

## 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 | - | 7.94 | 2.98 | 5.99 | 6.68 |

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 21 August 2013, 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.

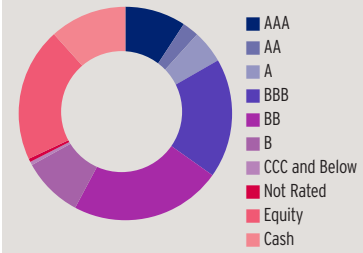
**Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.**

*Source: © 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: Morningstar.

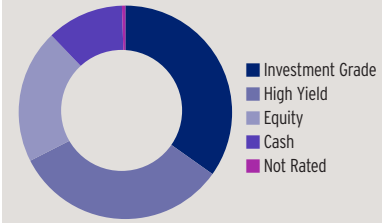
# Invesco Pan European High Income Fund
## Z-AD Shares

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**Credit ratings of the fund in %***




**Asset breakdown of the fund in %***




## NAV and fees

**Current NAV**
EUR 12.11

**12 month price high**
EUR 12.20 (07/11/2017)

**12 month price low**
EUR 11.56 (15/03/2017)

**Minimum investment** [1]
EUR 1,000

**Entry charge**
Up to 5.00%

**Annual management fee**
0.62%

**Ongoing charges**
0.89% (estimated 10/05/2017)

## Top 10 Equity Holdings (%)*

| | Fund |
|---|---|
| Roche | 0.81 |
| Novartis | 0.78 |
| Orange | 0.68 |
| Total | 0.67 |
| Ahold Delhaize | 0.63 |
| Royal Dutch Shell 'A' (EUR) | 0.60 |
| Deutsche Telekom | 0.58 |
| BNP Paribas | 0.58 |
| Allianz | 0.57 |
| Enel | 0.56 |

## Credit ratings*

(average rating: BBB-)

| | in % |
|---|---|
| AAA | 9.2 |
| AA | 2.5 |
| A | 5.0 |
| BBB | 18.2 |
| BB | 23.0 |
| B | 9.2 |
| CCC and Below | 0.5 |
| Not Rated | 0.5 |
| Equity | 20.4 |
| Derivative | -0.3 |
| Cash | 11.7 |

## Yield %*

| | |
|---|---|
| Gross Current Yield | 3.43 |
| Gross Redemption Yield | 2.40 |

## Top 10 Bond Issuers (%)*

| | Fund |
|---|---|
| Germany | 3.77 |
| KFW | 2.33 |
| Unicredit | 1.75 |
| United States | 1.56 |
| Telefonica | 1.52 |
| Italy | 1.44 |
| EDF | 1.27 |
| Intesa | 1.09 |
| Lloyds | 1.05 |
| Softbank | 1.01 |

## Asset breakdown*

| | in % |
|---|---|
| Investment Grade | 34.9 |
| High Yield | 32.8 |
| Equity | 20.4 |
| Cash | 11.7 |
| Not Rated | 0.5 |
| Derivative | -0.3 |

## Modified duration*

| in years | |
|---|---|
| Modified duration | 3.2 |

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. 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 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 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.

## 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.

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