

Monthly Report July 2024 (covering June)

This marketing communication is exclusively for use by Professional Clients, Financial Advisers and Qualified Clients/Sophisticated Investors. This document may also be used by financial intermediaries in the United States. This is not for consumer use, please do not redistribute. Investors should read the legal documents prior to investing.

Summary of fund objective

The Fund is actively managed. The Fund aims to achieve long-term total returns, integrating a thematic approach. The Fund focuses on the "Belt and Road Initiative" which aims to better connect China, Asia, Europe and Africa and their adjacent seas (the "Belt and Road Region"), through the development of the Silk Road Economic Belt and 21st-Century Maritime Silk Road for closer economic co-operation. The investment concerns the acquisition of units in a fund and not in a given underlying asset.

Investment Risks

For complete information on risks, refer to the legal documents.

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. As a large portion of the fund is invested in less developed countries, you should be prepared to accept significantly large fluctuations in the value of the fund. The fund may invest in certain securities listed in China which can involve significant regulatory constraints that may affect the liquidity and/or the investment performance of the fund. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund. As this fund is invested in a particular sector, you should be prepared to accept greater fluctuations in the value of the fund than for a fund with a broader investment mandate. The fund may invest in distressed securities which carry a significant risk of capital loss. 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.

Fund Performance

The Invesco Belt and Road Debt Fund Z-Acc (USD) registered +1.15% in June 2024. Roughly half of the absolute return came from duration rally in the month. Coupon income and carry also provided decent performance. Given the duration rally, the general market saw credit spreads widening out with UST yields tightened in. The positions in the DM high credit quality bonds have delivered good performance against the lower quality EM credits. Our credit selection in riskier part of EM has shown positive relative performance as we have largely avoided African sovereign credits that had underperformed during the month.

Fund Positioning

Relative value analysis still shows richness in BBB and BB rated EM bonds. High quality DM credits offer more value to us compared to EM credits, given how tight the EM credit spreads are trading. We continued to switch out of EM and into DM bonds. We find pockets of value in DM bonds from issuers from Australia and Japan where the credit spreads are wider compared to the similarly rated EM issuers. In single B space, we believe the credit selection is expected to continue to deliver relative performance. Fundamental wise, we continue to see stable credit fundamental for global EM issuers in general. We continue to look for relative value trades within EM. We are actively monitoring the inflation data outlook in the US and other major economies. We will consider the more aggressive duration strategy once we form a much higher conviction. On strategy level, the fund continues to overweigh countries that have good diplomatic relations with both China and the western countries so that they would have more sources of capital inflows. The fund continues to overweigh the infrastructure sector, which covers diversified industries like power utilities, energy, transportation, telecommunications, affordable housing and construction.

Outlook

The macro backdrop continues to be positive as growth is steady and we expect disinflation to continue. Central banks have begun the rate cut cycle supporting technicals. Valuations are quite tight across most fixed income sectors. Historically low credit spreads and inverted yields curves work against risk taking in fixed income. We remain at cautious stance to risk taking across most fixed income sectors. We are cautious on duration, largely look for a range trade in longer bonds. The dollar still screens quite strong relative to many Developed Market and Emerging Market currencies. Fed rate cuts should allow the dollar to decline somewhat. Overall speaking, we see Asian macro backdrop to be solid with easing inflation and stable economic activities. However, the Asian local currency weakness is driving rising risk of delayed policy easing from Asian central banks. The political risk is higher as fiscal slippages are more likely in India and Indonesia given the recent election outcomes. Geopolitical risk related to China also escalated. Technical is strong in Asia credit, despite higher new issue supply in recent months. Valuation is still at historical tight level after the recent spread widening. Further corrections on valuation would be needed to attract sustainable interest.

Fund Facts

Z-share ISIN	LU1889098684
Bloomberg	INBRDZA LX
Domicile	Luxembourg
AuM	391.85m USD
Launch Date	08 Nov 2018
Reference Index**	LIBOR 3 Month USD

Fund Managers*** Yifei Ding and Norbert Ling

** The benchmark index is shown for performance comparison purposes only. The fund does not track the index.

*** Yifei Ding since November 2018 and Norbert Ling since December 2021

Fund Characteristics

(Annualised Data)

	3Y	5Y
Alpha (statistical)	N/A	N/A
Batting Average	N/A	N/A
Gain/Loss Ratio	0.64	0.96
Information Ratio	N/A	N/A
Sharpe Ratio	-1.00	-0.33
Tracking Error	N/A	N/A

Awards & Gradings



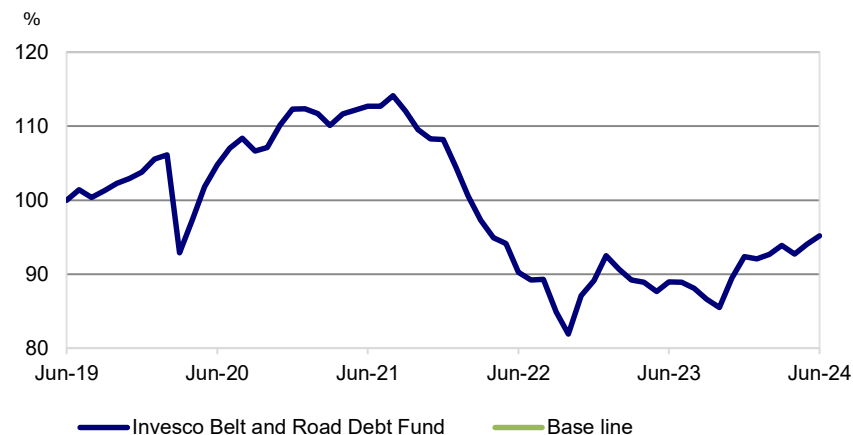
Morningstar Rating 30.06.24

Any reference to a ranking, a rating or an award provides no guarantee for future performance results and is not constant over time.

Past performance does not predict future returns.

Performance (USD) ¹

5 Year Active Return



Cumulative	YTD	YTD	1M	1Y	3Y	5Y
Fund (Z-shares)	3.05	3.05	1.15	7.01	-15.55	-4.84
Reference Index	-	-	-	-	-	-
Active return	-	-	-	-	-	-

Calendar Year	2019	2020	2021	2022	2023
Fund (Z-shares)	12.91	8.19	-3.62	-17.61	3.59
Reference Index	-	-	-	-	-

Rolling 12 Months	30.06.14	30.06.15	30.06.16	30.06.17	30.06.18
	30.06.15	30.06.16	30.06.17	30.06.18	30.06.19
Fund (Z-shares)	-	-	-	-	-
Reference Index	-	-	-	-	-
Peer Group	-	-	-	-	-

	30.06.19	30.06.20	30.06.21	30.06.22	30.06.23
	30.06.20	30.06.21	30.06.22	30.06.23	30.06.24
Fund (Z-shares)	4.75	7.56	-19.92	-1.44	7.01
Reference Index	-	-	-	-	-
Peer Group	2.79	5.97	-15.81	1.04	5.53

Source fund/sector: Morningstar as of 30 June 2024

Source index: Bloomberg as at 30 June 2024, on a total return basis in USD

Peer Group: Morningstar Category EAA Fund Asia Bond

¹Fund returns are inclusive of gross income re-invested and net of the ongoing charge and portfolio transaction costs, cumulative, in fund currency. The figures do not reflect the entry charge payable by individual investors. Returns may increase or decrease as a result of currency fluctuations.

Important Information

This marketing communication is exclusively for use by professional investors in Continental Europe as defined below, Qualified Clients/Sophisticated Investors in Israel and Professional Clients in Dubai, Jersey, Guernsey, Isle of Man and the UK. This communication may also be used by financial intermediaries in the United States as defined below. It is not intended for and should not be distributed to the public.

For the distribution of this communication, Continental Europe is defined as Austria, Belgium, Finland, France, Germany, Italy, Luxembourg, Netherlands, Norway, Sweden and Switzerland

Data as at 30.06.2024, unless otherwise stated. By accepting this material, you consent to communicate with us in English, unless you inform us otherwise. This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. Views and opinions are based on current market conditions and are subject to change. For information on our funds and the relevant risks, refer to the Key Information Documents/Key Investor Information Documents (local languages) and Prospectus (English, French, German, Spanish, Italian), and the financial reports, available from www.invesco.eu. A summary of investor rights is available in English from www.invescomanagementcompany.lu. The management company may terminate marketing arrangements. Not all share classes of this fund may be available for public sale in all jurisdictions and not all share classes are the same nor do they necessarily suit every investor.

Issued by Invesco Management S.A., President Building, 37A Avenue JF Kennedy, L-1855 Luxembourg, regulated by the Commission de Surveillance du Secteur Financier, Luxembourg.

Dubai: Invesco Asset Management Limited, Index Tower Level 6 - Unit 616, P.O. Box 506599, Al Mustaqbal Street, DIFC, Dubai, United Arab Emirates. Regulated by the Dubai Financial Services Authority. Guernsey: The fund can only be promoted to Professional Clients. Israel: Issued by Invesco Asset Management Limited, Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire RG9 1HH, UK. Authorised and regulated by the Financial Conduct Authority. No action has been taken or will be taken in Israel that would permit a public offering of the Fund or distribution of this document to the public. This Fund has not been approved by the Israel Securities Authority (the ISA). The Fund shall only be sold in Israel to an investor of the type listed in the First Schedule to the Israeli Securities Law, 1968, who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto and further that the Fund is being purchased for its own account and not for the purpose of re-sale or distribution, other than, in the case of an offeree which is an Sophisticated Investor, where such offeree is purchasing product for another party which is an Sophisticated Investor. This document may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Nothing in this document should be considered investment advice or investment marketing as defined in the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 1995 ("the Investment Advice Law"). Neither Invesco Ltd. nor its subsidiaries are licensed under the Investment Advice Law, nor does it carry the insurance as required of a licensee thereunder. This document does not constitute an offer to sell or solicitation of an offer to buy any securities or fund units other than the fund offered hereby, nor does it constitute an offer to sell to or solicitation of an offer to buy from any person in any state or other jurisdiction in which such offer or solicitation would be unlawful, or in which the person making such offer or solicitation is not qualified to do so, or to a person to whom it is unlawful to make such offer or solicitation. Switzerland: Issued by Invesco Asset Management (Schweiz) AG, Talacker 34, CH-8001 Zurich, who acts as representative for the funds distributed in Switzerland. Paying agent in Switzerland: BNP PARIBAS, Paris, Zurich Branch, Selnaustrasse 16 8002 Zürich. The Prospectus, Key Information Document, and financial reports may be obtained free of charge from the Representative. The funds are domiciled in Luxembourg. Jersey: Consent under the Control of Borrowing (Jersey) Order 1958 (the "COBO Order") has not been obtained for the circulation of this communication. The offer that is the subject of this communication may only be made in Jersey where it is valid in the United Kingdom. Additional information for financial intermediaries in the United States: This document is intended for distribution to US financial intermediaries for informational purposes and in relation to their activities with offshore clients only. The Funds are not registered under any US securities law, and may not be offered or sold directly or indirectly in the US, its territories or possessions, nor to any US persons, citizens or residents. The Fund must not be marketed on US soil. Issued in the US by Invesco Distributors, Inc., 11 Greenway Plaza, Suite 1000, Houston, Texas 77046, USA. Invesco Distributors, Inc. is the appointed US sub-distributor of the Invesco Funds SICAV. All entities are indirect, wholly owned subsidiaries of Invesco Ltd.. © 2024 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

EMEA 3703021