

Invesco Global Investment Grade Corporate Bond Fund

Monthly Report August 2024 (covering July)

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.

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. 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. 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 contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events.

Summary of fund objective

The Fund is actively managed. The Fund intends to achieve, in the medium to long term, a competitive overall investment return with relative security of capital in comparison to equities. The Fund will invest at least two thirds of its total assets in investment grade corporate bonds. Up to one third of the total assets of the Fund may be invested in cash, cash equivalent securities and other debt securities. For the full objectives and investment policy please consult the current prospectus. The investment concerns the acquisition of units in a fund and not in a given underlying asset.

Fund Performance

It was another positive month for corporate bonds, led by moves in government yields. In the clearest signal yet of a policy pivot, US Federal Reserve chair Jay Powell said that "A reduction in our policy rate could be on the table as soon as the next meeting in September." His comments prompted a repricing in the futures market with 3-4 cuts now expected by year end. In the UK, headline inflation remaining at 2% allowed the Bank of England to cut the Bank Rate by 25bps on 1 August. While eurozone inflation unexpectedly accelerated in July from 2.5% to 2.6%, it didn't dampen expectations that the ECB would cut in September. In investment grade markets, dollar-denominated bonds delivered the strongest total returns on interest rate effects, followed by sterling and euro. Spreads were little changed over the month. Dollar corporates widened marginally, whereas sterling and euro tightened slightly. In high yield, spreads widened slightly for both dollar and European currency bonds. In this context, the Fund was up for the month. A strong rally in the market on the last day of the month generated a lag in performance vs. the reference benchmark from official Fund pricing at midday European time; however, on an end-of-day basis the portfolio was slightly ahead. Our overweight duration stance was beneficial as government yields – particularly short-term ones – declined. Our credit positioning was approximately neutral to performance.

Fund Positioning

The Fund follows a Theme-based approach which drives relative value positioning versus the reference benchmark across the Thematic Risk Factors (region, sector, capital structure, credit curve term structure and currency basis). Despite the recent rally in rates and spreads, the all-in yield of the asset class remains historically high. The Fund enjoyed some inflows during the month, and we put the cash to work in several new issue opportunities especially in high-quality non-cyclical areas of the market. We kept the main parameters of the portfolio steady with an overweight in duration focussed on shorter term issues with the expectation for yield curves to steepen.

Outlook

Following the dovish Fed comments and a disappointing US jobs report, markets are pricing in substantial rate cuts this year, starting in September. There is a clear shift in focus from inflation towards cooling growth and labour markets. In Europe, both the ECB and Bank of England have made their first moves; we expect the rate easing cycle to accelerate in 2025. Markets have been volatile in the start of August, with reactions to data exacerbated by lower liquidity and technical factors. While we concur with a September first move for the Fed, we don't currently see evidence in the fundamentals for significant easing beyond this. That said, even in a "higher for longer" backdrop, income/yield should provide a strong foundation for returns. Our central case is a "soft landing" scenario; the Fund is accordingly long duration with US curve steepeners and overweight credit. Our strategy continues to focus on high quality and duration sensitive corporate bonds especially in short to medium tenors. We also like short-dated callable subordinated bonds on reducing extension risk concerns, banks and energy over consumer cyclicals and REITs. We prefer Europe vs the US as we believe the region is relatively less advanced in the credit cycle while offering better risk reward.

Fund Facts

Z-share ISIN	LU1642784927
Bloomberg	IGIGCZA LX
Domicile	Luxembourg
AuM	1.13bn USD
Launch Date	01 Sep 2009
Reference Index**	Bloomberg Global Aggregate Corporate Index USD-Hedged (Total Return)

Fund Managers*** Lyndon Man, Luke Greenwood and Michael Booth

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

*** Luke Greenwood and Lyndon Man since August 2013, Michael Booth since January 2024

Fund Characteristics

(Annualised Data)

	3Y	5Y
Alpha (statistical)	-0.15	-0.16
Batting Average	58.33	61.67
Gain/Loss Ratio	0.86	1.14
Information Ratio	-0.12	-0.06
Sharpe Ratio	-0.63	-0.16
Tracking Error	2.33	1.97

Awards & Gradings



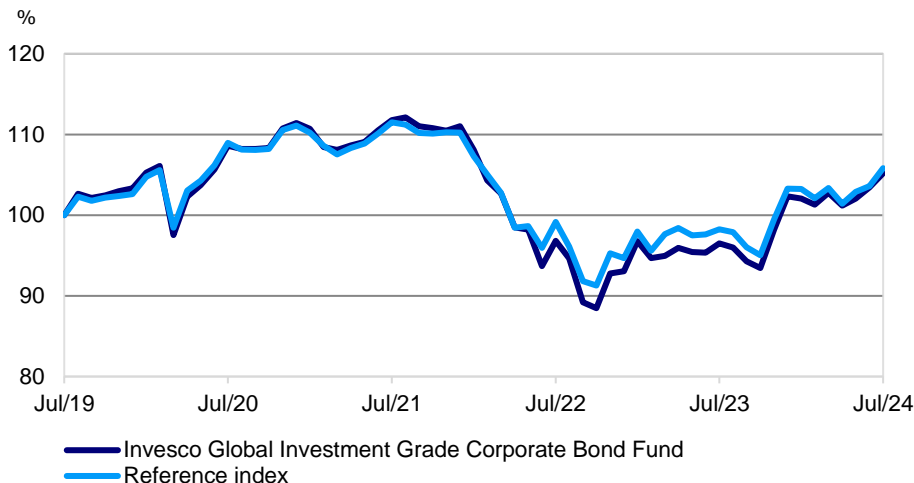
Morningstar Rating 31.07.24

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)	2.81	1.07	1.72	9.03	-5.90	5.21
Reference Index	2.47	0.30	2.17	7.71	-5.09	5.84
Active return	0.34	0.77	-0.45	1.32	-0.81	-0.63

Calendar Year	2019	2020	2021	2022	2023
Fund (Z-shares)	15.05	7.85	-0.37	-16.17	9.97
Reference Index	12.51	8.26	-0.79	-14.11	9.10

Rolling 12 Months	31.07.14	31.07.15	31.07.16	31.07.17	31.07.18	31.07.19
	31.07.15	31.07.16	31.07.17	31.07.18	31.07.19	31.07.20
Fund (Z-shares)	3.80	8.55	3.21	-0.33	10.08	
Reference Index	2.36	7.91	1.93	0.48	9.90	
Peer Group	1.05	6.21	2.83	0.23	7.93	

	31.07.19	31.07.20	31.07.21	31.07.22	31.07.23	31.07.24
	31.07.20	31.07.21	31.07.22	31.07.23	31.07.24	
Fund (Z-shares)	8.62	2.92	-13.39	-0.34	9.03	
Reference Index	8.96	2.34	-11.09	-0.89	7.71	
Peer Group	8.14	2.88	-11.34	-0.94	7.52	

Source fund/sector: Morningstar as of 31 July 2024

Source index: RIMES as at 31 July 2024, on a total return basis in USD

Peer Group: Morningstar Category EAA Fund Global Corporate Bond - USD Hedged

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 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, Liechtenstein, Luxembourg, Netherlands, Norway, Spain, Sweden and Switzerland

Data as at 31.07.2024, 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.

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. Liechtenstein: Paying agent in Liechtenstein is LGT Bank AG, Herrengasse 12, FL-9490 Vaduz, Principality of Liechtenstein. 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 3790578