Invesco Oppenheimer International Growth Fund

Q1 2024

Key takeaways

1 The fund underperformed its benchmark this quarter
Class A shares at net asset value (NAV) had a positive return for the quarter but underperformed the MSCI ACWI ex-US Index.

2 Corporate debt cost likely to rise
Corporate debt borrowed at cheap interest rates will mature over the next few years and likely be refinanced at more expensive levels. We are comforted that companies in the portfolio fund their growth from operating cash flow and do not rely on debt.

3 Adjusting to likely higher capital costs
Earnings and creditworthiness will likely become more important over the next few years. We believe the relatively strong pricing power and balance sheet strength of the fund's holdings, combined with their exposure to global structural growth themes, will be increasingly valuable.

Investment objective
The fund seeks capital appreciation.

Fund facts

Fund AUM ($M)	7,314.03

Portfolio managers
George Evans, Robert Dunphy

Manager perspective and outlook

- During the quarter, equities experienced some profit taking and then consolidation before resuming the rally that began in November 2023.
- In our opinion, the US Federal Reserve has tightened policy for the last time in this interest rate cycle. Most market participants appear to agree and that belief, along with growing consensus the US economy is experiencing a "soft landing," appears to have contributed to market optimism. Another contributing factor was the growth evident in most company earnings reports. By and large, it was in our view a good earnings season.
- We believe this is the second year of a cyclical bull market that launched in late 2022. In 2022, there was a reset of interest rates and, therefore valuations, to what we consider more sustainable, realistic levels.
- Across the corporate sector, good financial stewards used the cheap money era to lock in attractive borrowing rates. However, this debt will begin to roll over in the next several years. Indebtedness had appeal in the period following the 2008 financial crisis and there was no great advantage in being conservatively financed. We believe, however, that conservative financing will be an advantage in the years to come and are comforted that the companies held in the fund have avoided meaningful indebtedness.

Top issuers
(% of total net assets)

	Fund	Index
Novo Nordisk A/S	5.55	1.59
ASML Holding NV	3.71	1.49
LVMH Moet Hennessy Louis Vuitton SE	3.55	0.95
Reliance Industries Ltd	3.51	0.42
London Stock Exchange Group PLC	2.95	0.19
Compass Group PLC	2.81	0.19
Hermes International SCA	2.77	0.31
Dollarama Inc	2.74	0.08
Next PLC	2.66	0.05
Flutter Entertainment PLC	2.62	0.14

As of 03/31/24. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

We did not initiate any new positions during the quarter. We exited six positions.

Adyen, a Dutch company, processes payments for retailers and service providers, primarily for online transactions. Adyen combines different technologies to create a unified infrastructure for a unique end-to-end advantage in the payments processing market. However, the premium pricing and client acquisition rates that Adyen commanded due to this advantage appear to be fading. In our opinion, clients increasingly prefer cheaper “less than best but good enough” options, and Adyen is less likely to provide the fund with the returns we want.

Nihon M&A is a Japan-based company that intermediates mergers and acquisitions for small and medium-sized Japanese companies. Demand has been growing as Japan’s aging population leaves many small family businesses without successors to manage them while pressure to increase efficiency has been rising. That said, we have not obtained the returns from Nihon that we would have liked. We saw better opportunities elsewhere.

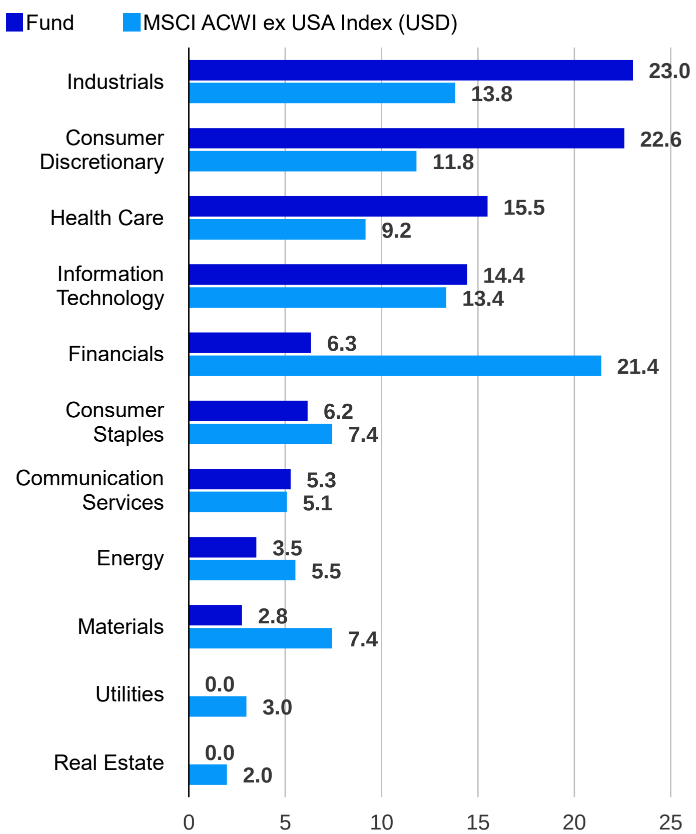
Benefit One is Japan’s number one administrator of corporate fringe-benefits, a crucial tool in employee retention in Japan's tight labor market. During the first quarter, the company was acquired by Dai-Ichi Life after a bidding war with M3 (not fund holdings).

Siemens Healthineers dominates the global medical imaging market with over a 30% share. We invested in the company when it was spun out of Siemens in 2018. Since then, Siemens has continued to restructure its business; we believe it is now an attractive company and have built a position in it. Since Siemens still owns 75% of Heathineers, we have exited that position, which became to some degree in our view a duplication.

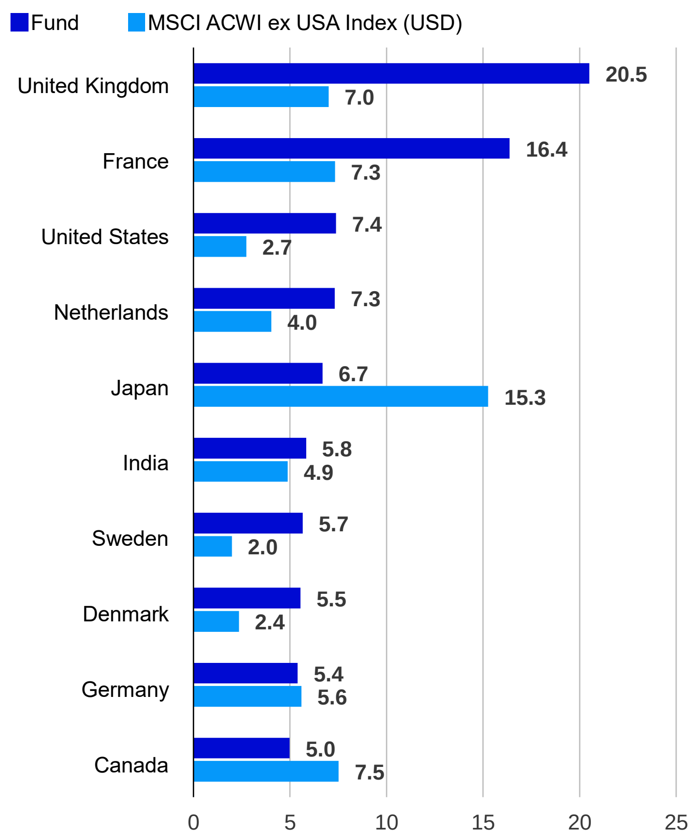
Ocado is a UK company that builds and operates fully automated fulfillment warehouses for brick-and-mortar grocery chains, under license. Groceries are the most complicated items for online order fulfillment, and many investors believed – as we did - that Ocado’s success there would attract non-grocery businesses to its best-in-class warehouse distribution offering. However, potential non-grocery clients apparently ultimately preferred cheaper, “good enough” options.

Britvic, based in the UK, supplies a wide range of soft drinks on the healthier end of the spectrum. Despite its position in the faster growing segment of the beverage market, Britvic has not delivered the return we would like. We saw better opportunities elsewhere.

Sector breakdown (% of total net assets)



Top countries (% of total net assets)



Top contributors (%)

Issuer	Return	Contrib. to return
Novo Nordisk A/S	23.94	1.19
ASML Holding NV	27.79	0.90
Reliance Industries Limited	14.80	0.50
Hermes International SCA	20.34	0.49
LVMH Moet Hennessy Louis Vuitton SE	10.75	0.36

Top detractors (%)

Issuer	Return	Contrib. to return
AIXTRON SE	-37.89	-0.65
JD Sports Fashion Plc	-19.69	-0.58
DAIKIN INDUSTRIES, LTD.	-16.03	-0.28
Amadeus IT Group SA	-10.17	-0.23
Epiroc AB	-6.64	-0.22

Performance highlights

The fund outperformed most in the health care sector due to stock selection and in materials and energy due to the usual underweights in those sectors. The fund underperformed most in the consumer staples, financials and information technology sectors, all due to stock selection.

Contributors to performance

Novo Nordisk, a Danish company, is the world's leading maker of care products and insulin for diabetes, a disease that has been increasing worldwide. Novo has also introduced weight loss drug Wegovy, for which demand has been high. During the quarter, Novo announced earnings above expectations, and the FDA approved Wegovy as a heart disease treatment. The share price reacted favorably.

ASML, a Dutch company, makes equipment needed for producing semiconductors. ASML is the only supplier of the extreme ultraviolet lithography equipment required to produce the smallest semiconductor chips. During the quarter, ASML reported earnings above forecasts as well as a record order book. In our opinion, ASML remains well-placed to benefit from the continuing "digitization" of a widening variety of activities.

Reliance is an India-based conglomerate with the most mobile phone subscribers in India, the largest retail network and a high-quality oil refining business. During the quarter, the share price rose on speculation the flow of Middle East refined oil products to India might be disrupted by conflict in the Red Sea, thereby increasing demand and pricing for Reliance's refined products.

Detractors from performance

Aixtron, a German company, makes the metal organic chemical vapor deposition (MOCVD) equipment used in the manufacture of layered semiconductors made of compounds other than just silicon. During the quarter, the company announced earnings and guidance below expectations and the share price reacted unfavorably. In our opinion, Aixtron remains well-placed in the value chain of a growing segment of semiconductor evolution.

JD Sports Fashion, based in the UK, is a premier strategic partner for key athletic footwear brands, such as Nike and Adidas, in the US and Western Europe. The company sells online and through brick-and-mortar stores. In-person sales have been proving stable as many customers seem to prefer the experience and immediate gratification over online purchases. During the quarter, JD lowered its earnings guidance and the share price reacted unfavorably. We maintain a positive view of JD's prospects.

Daikin is a Japanese company we bought in 2019. Daikin supplies air conditioning and heating systems worldwide for both commercial and household use. The company's quarterly earnings fell short of forecasts recently and the share price reacted unfavorably. In our opinion, the outlook for Daikin's business remains attractive.

Standardized performance (%) as of March 31, 2024

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since inception
Class A shares inception: 03/25/96	NAV	4.52	4.52	14.01	0.48	7.40	4.14	7.40
	Max. Load 5.5%	-1.24	-1.24	7.75	-1.40	6.18	3.56	7.18
Class R6 shares inception: 03/29/12	NAV	4.61	4.61	14.45	0.88	7.82	4.57	6.62
Class Y shares inception: 09/07/05	NAV	4.60	4.60	14.32	0.74	7.66	4.40	6.49
MSCI ACWI ex USA Index (USD)		4.69	4.69	13.26	1.94	5.97	4.25	-
Total return ranking vs. Morningstar Foreign Large Growth category (Class A shares at NAV)		-	-	41% (144 of 407)	50% (163 of 383)	50% (131 of 330)	84% (188 of 226)	-

Expense ratios per the current prospectus: Class A: Net: 1.10%, Total: 1.10%; Class R6: Net: 0.73%, Total: 0.73%; Class Y: Net: 0.86%, Total: 0.86%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit invesco.com for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary so that you may have a gain or a loss when you sell shares. Returns less than one year are cumulative; all others are annualized. As the result of a reorganization on May 24, 2019, the returns of the fund for periods on or prior to May 24, 2019 reflect performance of the Oppenheimer predecessor fund. Share class returns will differ from the predecessor fund due to a change in expenses and sales charges. Index source: RIMES Technologies Corp. Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower. Performance shown at NAV does not include the applicable front-end sales charge, which would have reduced the performance.

Class Y and R6 shares have no sales charge; therefore performance is at NAV. Class Y shares are available only to certain investors. Class R6 shares are closed to most investors. Please see the prospectus for more details.

Calendar year total returns (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Class A shares at NAV	-7.22	3.16	-2.30	26.61	-19.55	28.60	21.91	10.57	-27.31	20.75
Class R6 shares at NAV	-6.80	3.63	-1.88	27.15	-19.22	29.16	22.41	10.99	-27.00	21.20
Class Y shares at NAV	-6.99	3.43	-2.06	26.89	-19.36	28.98	22.18	10.86	-27.12	21.02
MSCI ACWI ex USA Index (USD)	-3.87	-5.66	4.50	27.19	-14.20	21.51	10.65	7.82	-16.00	15.62

Portfolio characteristics*

	Fund	Index
No. of holdings	60	2,231
Top 10 issuers (% of AUM)	32.87	12.17
Wtd. avg. mkt. cap ($M)	117,354	101,182
Price/earnings	28.46	16.07
Price to book	5.41	1.96
Est. 3 – 5 year EPS growth (%)	13.22	10.31
ROE (%)	19.27	15.05
Long-term debt to capital (%)	28.99	28.13
Operating margin (%)	21.54	19.18

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	1.43	0.00
Beta	1.10	1.00
Sharpe ratio	0.26	0.22
Information ratio	0.18	0.00
Standard dev. (%)	20.70	17.58
Tracking error (%)	7.77	0.00
Up capture (%)	135.44	100.00
Down capture (%)	107.99	100.00
Max. drawdown (%)	38.36	27.87

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	0.00	0.17	0.18
Consumer Discretionary	0.29	-0.22	0.07
Consumer Staples	0.03	-0.68	-0.65
Energy	-0.02	0.30	0.28
Financials	-0.19	-0.45	-0.63
Health Care	-0.07	1.29	1.22
Industrials	0.20	-0.60	-0.40
Information Technology	0.12	-0.72	-0.59
Materials	0.32	0.05	0.37
Other	0.00	0.00	0.00
Real Estate	0.10	0.00	0.10
Utilities	0.25	0.00	0.25
Cash	-0.04	0.00	-0.04
Total	**1.00**	**-0.85**	**0.15**

Holdings are subject to change and are not buy/sell recommendations. Attribution methodology notes: The attribution provides analysis of the effects of several portfolio management decisions, including allocation and security selection. Securities classified as "Other" may include non-equity securities, derivatives, and securities for which a sector classification may not be appropriate. The portfolio is actively managed and portfolio holdings are subject to change. The percentage weights represented for the portfolio are dollar weighted based on market value. **Market allocation effect** shows the excess contribution due to sector/market allocation. A positive allocation effect implies that the choice of sector weights in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Selection effect** shows the excess contribution due to security selection. A positive selection effect implies that the choice of stocks in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Total effect** is the difference in contribution between the benchmark and portfolio. **Past performance does not guarantee future results.**

Region performance analysis (%)

Region	Allocation effect	Selection effect	Total effect
Developed	**0.19**	**-1.02**	**-0.82**
Africa/Mideast	-0.03	0.00	-0.03
Asia/Pacific Ex Japan	0.24	0.21	0.45
Europe	0.30	-0.23	0.07
Japan	-0.45	-0.80	-1.25
North America	-0.01	-0.05	-0.06
Emerging	**0.50**	**0.51**	**1.01**
Africa/Mideast	0.14	0.00	0.14
Asia/Pacific Ex Japan	0.22	0.44	0.65
Europe	-0.01	0.00	-0.01
Latin America	0.23	0.00	0.23
Cash	**-0.04**	**0.00**	**-0.04**
Total	**0.65**	**-0.50**	**0.15**

Performance analysis by country — top 5 (%)

	Total effect	Avg. weight	Total return
Denmark	0.70	5.38	23.94
Netherlands	0.58	7.12	17.15
China	0.52	0.00	0.00
France	0.39	15.94	7.75
Hong Kong	0.24	0.00	0.00

Performance analysis by country — bottom 5 (%)

	Total effect	Avg. weight	Total return
Japan	-1.25	7.13	-0.28
Germany	-0.63	5.52	-4.12
Italy	-0.43	1.59	-10.98
Spain	-0.39	2.08	-10.17
Sweden	-0.37	5.63	-2.65

Unless otherwise specified, all information is as of 03/31/24. Unless stated otherwise, Index refers to MSCI ACWI ex USA Index (USD).

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

The MSCI All Country (AC) World Ex-U.S. Index is an index considered representative of developed and emerging market stock markets, excluding the US. The index is computed using the net return, which withholds applicable taxes for non-resident investors. An investment cannot be made directly in an index.

About risk

Stock and other equity securities values fluctuate in response to activities specific to the company as well as general market, economic and political conditions.

The risks of investing in securities of foreign issuers, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

Many countries in the European Union are susceptible to high economic risks associated with high levels of debt, notably due to investments in sovereign debts of European countries such as Greece, Italy, and Spain.

Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time, and reporting the distribution for tax purposes may be required, even though the income may not have been received. Further, preferred securities may lose substantial value due to the omission or deferment of dividend payments.

Investments concentrated in a comparatively narrow segment of the economy may be more volatile than non-concentrated investments.

Stocks of small and medium-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risks associated with an investment in the fund.

The opinions expressed are those of the fund's portfolio management, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.
Note: Not all products available at all firms. Financial professionals, please contact your home office.
The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

* **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio indicates better risk-adjusted performance. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Tracking Error** is defined as the expected standard deviation of a portfolio's excess return over the benchmark index return. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Maximum Drawdown** is the maximum observed loss from a high to a low of a portfolio, before a new high is attained. Maximum drawdown is an indicator of downside risk over a specified time period. **Weighted Average Market Cap** is a measure of the average size of company held in a portfolio. The percentage of the portfolio invested each company, or its weight, is multiplied by its size (market capitalization). An average of the weighted size of all companies held is then calculated. **Price/earnings** measures the price per share relative to the earnings per share of the company while excluding extraordinary items. **Price to book** measures the firm's capitalization (market price) to book value. **Est. 3-5 year EPS (Earning per share) growth** measures the earning per share growth from FY3 to FY5. **ROE** is the Return on Equity that measures the fund's annual return relative to total shareholders' equity. This ratio evaluates how quickly investments can be turned into profits. **Long-term debt to capital** measures a fund's financial leverage by calculating the proportion of long-term debt used to finance its assets relative to the amount of equity used for the same purpose. A higher ratio indicates higher leverage. **Operating margin** measures the profit a fund makes for every dollar of sales after paying the variable expenses. **Contribution to Return** measures the performance impact from portfolio holdings over a defined time period. It takes into account both weight and performance of the portfolio holdings. Contribution to Return is calculated at security level.

Morningstar

Before investing, consider the Fund's investment objectives, risks, charges and expenses. Visit invesco.com/fundprospectus for a prospectus/summary prospectus containing this information. Read it carefully before investing.