

Invesco Global Opportunities Fund

Q1 2024

Key takeaways

- 1 The fund underperformed its benchmark.**
The fund's Class A shares underperformed the MSCI All Country World (ACWI) SMID Index during the first quarter.
- 2 Growth equities continued to thrive.**
Growth equities once again led the market.
- 3 Positioned for the long-term opportunity.**
Small and mid-cap equities have in our view ample opportunity to outperform larger capitalization stocks after an extended period of underperformance.

Investment objective

The fund seeks capital appreciation.

Fund facts

Fund AUM (\$M)	3,534.80
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Portfolio managers

David Nadel, Maire Lane

Manager perspective and outlook

- Small caps have trailed large caps by a wide margin in recent years and in our view appear to be getting a fresh appraisal from investors. We believe that performance gap will inevitably be narrowed or even reversed in coming years, in our view. We may be in the early stages of that unfolding. Since equity markets took off in November of last year, small-cap stocks have done rather well in our estimation, perhaps anticipating the stronger economic growth environment that seemed to be developing as the first quarter of the year ended.
- We seek to invest in companies with high rates of return on their capital, that can fund their growth with operating cash flow and have strong balance sheets. We believe the earning power, balance sheet stability and quality indicators of the fund's holdings in general will prove increasingly valuable in coming years.
- We remind investors that one reason small caps outperformed large caps for most of the last 100 years or so is thought to be their higher risk profile. Hence, investors effectively commanded a return premium for owning small-cap stocks. In our view, the higher risk profile is still the basis upon which investors can expect to earn a premium for owning these stocks.



Top issuers

(% of total net assets)

	Fund	Index
Advanced Micro Devices Inc	3.12	0.40
Manhattan Associates Inc	3.01	0.02
Jack Henry & Associates Inc	2.58	0.02
Disco Corp	2.56	0.05
SEI Investments Co	2.32	0.01
Carl Zeiss Meditec AG	2.11	0.01
Deckers Outdoor Corp	1.94	0.03
QUALCOMM Inc	1.80	0.26
Pool Corp	1.79	0.02
Lincoln Electric Holdings Inc	1.77	0.00

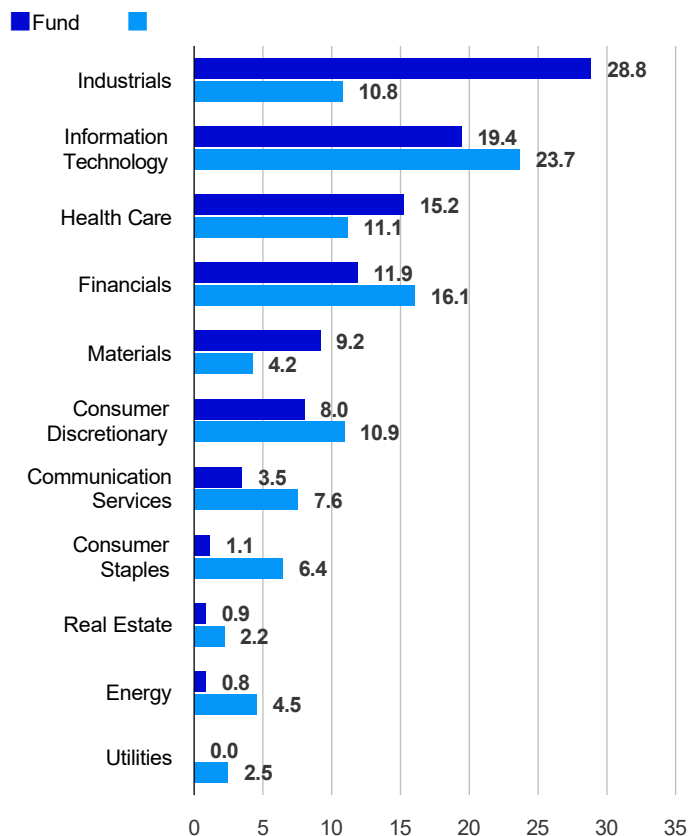
As of 03/31/24. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

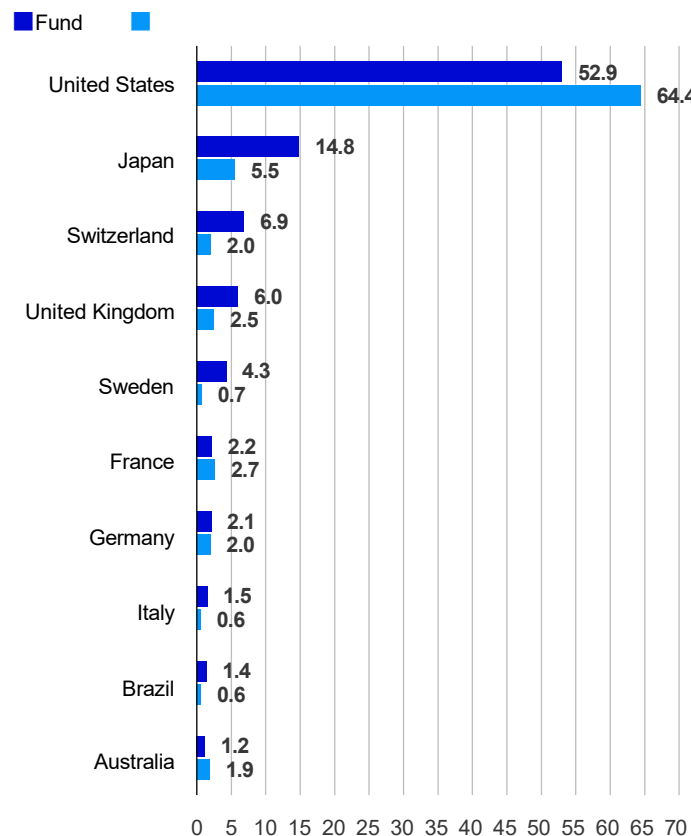
The portfolio underwent a shift in emphasis during the first quarter as it underwent a management transition. Our positioning now fully reflects our intentions from the first of the year, though it took several weeks to complete. We now have our most sizable exposures to the Industrials, Information Technology, Healthcare and Financials Sectors. Collectively these four make up just over 75% of the portfolio as of March 31. Industrials are the fund's largest overweight and real estate is its largest underweight. As a risk mitigation measure, the largest position in the portfolio is now only slightly larger than 3% which is less than it has been in recent years.

We remain positive on the prospects of our holdings. Most provide key products or services to other businesses and have significant recurring revenue streams. We believe strong balance sheets, which is a key ownership criteria, greatly mitigate our financial risk in owning them. The economic environment is in our view generally good, and we believe earnings are apt to reflect that this year.

Sector breakdown (% of total net assets)



Top countries (% of total net assets)



Top contributors (%)

Issuer	Return	Contrib. to return
DISCO Corporation	52.79	0.86
Deckers Outdoor Corporation	39.66	0.56
Manhattan Associates, Inc.	16.21	0.39
Acuity Brands, Inc.	32.54	0.38
Carl Zeiss Meditec AG	15.61	0.31

Top detractors (%)

Issuer	Return	Contrib. to return
SHIFT, Inc.	-38.14	-1.19
Aston Martin Lagonda Global Holdings PLC	-23.68	-0.55
Forward Air Corporation	-50.00	-0.51
BayCurrent Consulting, Inc.	-43.69	-0.47
MarketAxess Holdings Inc.	-24.88	-0.46

Performance highlights

During the first quarter, Invesco Global Opportunities Fund Class A shares underperformed the MSCI All Country World SMID (ACWI) Index. Growth equities once again led the broader market.

Contributors to performance

Following are the largest contributors to absolute return:

Disco, based in Japan, is a leading global provider of cutting and grinding machinery for the semiconductor industry. With its 70%+ global market share in the slicing, dicing and polishing of silicon wafers, Disco's product suite is mission-critical to stack more components onto chips. Furthermore, parts and service comprise half of Disco's revenues, creating in our view a reliable cash-flow stream. During the quarter, Disco was added to Japan's Nikkei 225 Index and the share price reacted favorably.

Deckers Outdoor Corporation is the sponsor of popular footwear brands such as UGG, Hoka and Teva. The company's share price has been propelled higher by years of growth and widening profitability.

Manhattan Associates Inc is a software and consulting firm that helps manufacturers, wholesalers and retailers build digital supply chain solutions, which are increasingly demanded in an omnichannel sales and service environment. The company has been growing and has expanding its margins.

Detractors from performance

Following are the largest detractors from absolute return for the quarter:

SHIFT is software testing company based in Japan where it does most of its business. SHIFT has been hampered this year by a shortage of senior engineers and apparent fears that AI could threaten its business model. We have trimmed the fund's position but continue to own the stock. We believe SHIFT's prospects may begin to improve in the second half of the year.

Aston Martin Lagonda Global Holdings PLC is an uber luxury automaker that has struggled to generate free cash flow, cash flow it needs to fund its product development and service its debts. It was exited during the first quarter.

Forward Air Corporation is a freight and logistics company with an emphasis on expedited less-than-truckload shipping. The stock has been down following the announced acquisition of Omni Logistics last year. A group of shareholders sued to block the deal from happening, which resulted in months of controversy about whether the deal would or would not be closed. Ultimately it did but at a renegotiated price. Following that, its CEO exited the company. We opened the position in January and added to it during the quarter.

Standardized performance (%) as of March 31, 2024

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since inception
Class A shares inception: 10/22/90	NAV	-1.58	-1.58	3.65	-12.53	1.11	6.09	10.12
	Max. Load 5.5%	-6.99	-6.99	-2.06	-14.16	-0.03	5.49	9.94
Class R6 shares inception: 01/27/12	NAV	-1.46	-1.46	4.04	-12.19	1.50	6.51	8.55
Class Y shares inception: 02/01/01	NAV	-1.51	-1.51	3.90	-12.31	1.36	6.34	7.29
MSCI ACWI SMID Cap Index (USD)		4.99	4.99	16.81	2.42	8.09	6.83	-
Total return ranking vs. Morningstar Global Small/Mid Stock category (Class A shares at NAV)		-	-	75% (130 of 155)	91% (126 of 135)	94% (114 of 119)	53% (50 of 77)	-

Expense ratios per the current prospectus: Class A: Net: 1.12%, Total: 1.13%; Class R6: Net: 0.75%, Total: 0.76%; Class Y: Net: 0.88%, Total: 0.89%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com](https://www.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.

Performance highlights (cont'd)

Calendar year total returns (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Class A shares at NAV	-3.46	13.94	10.70	52.52	-18.09	27.78	39.58	0.12	-41.63	17.35
Class R6 shares at NAV	-3.04	14.44	11.16	53.18	-17.77	28.31	40.12	0.47	-41.39	17.76
Class Y shares at NAV	-3.23	14.22	10.95	52.93	-17.91	28.12	39.89	0.37	-41.50	17.63
MSCI ACWI SMID Cap Index (USD)	3.17	-	-	-	-	25.37	15.67	16.23	-18.72	16.02

Portfolio characteristics*

	Fund	Index
No. of holdings	92	2,841
Top 10 issuers (% of AUM)	22.99	19.36
Wtd. avg. mkt. cap (\$M)	24,403	522,389
Price/earnings	24.50	20.88
Price to book	4.51	3.12
Est. 3 – 5 year EPS growth (%)	9.50	12.90
ROE (%)	22.40	19.14
Long-term debt to capital (%)	20.37	34.86
Operating margin (%)	19.60	22.15

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-6.46	0.00
Beta	1.17	1.00
Sharpe ratio	-0.03	0.30
Information ratio	-0.58	0.00
Standard dev. (%)	26.53	20.43
Tracking error (%)	12.01	0.00
Up capture (%)	102.19	100.00
Down capture (%)	112.99	100.00
Max. drawdown (%)	49.93	28.31

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	-0.14	-0.40	-0.54
Consumer Discretionary	0.11	-0.34	-0.23
Consumer Staples	0.28	-0.34	-0.06
Energy	-0.04	-0.03	-0.06
Financials	-0.06	-1.07	-1.13
Health Care	-0.05	-1.09	-1.14
Industrials	0.20	-3.35	-3.16
Information Technology	-0.67	-1.93	-2.60
Materials	-0.14	0.43	0.29
Other	0.00	0.00	0.00
Real Estate	0.14	0.01	0.15
Utilities	0.17	0.00	0.17
Cash	-0.07	0.00	-0.07
Total	-0.27	-8.12	-8.38

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	0.03	-8.32	-8.29
Africa/Mideast	-0.01	0.00	-0.01
Asia/Pacific Ex Japan	0.11	-0.07	0.04
Europe	-0.30	-2.13	-2.43
Japan	0.32	-2.91	-2.60
North America	-0.27	-3.02	-3.30
Emerging	0.38	-0.40	-0.02
Africa/Mideast	0.08	0.00	0.08
Asia/Pacific Ex Japan	0.27	-0.43	-0.16
Europe	0.01	0.00	0.01
Latin America	-0.03	0.07	0.05
Cash	-0.07	0.00	-0.07
Total	0.34	-8.72	-8.38

Performance attribution (cont'd)

Performance analysis by country — top 5 (%)

	Total effect	Avg. weight	Total return
Hong Kong	0.10	0.00	0.00
Canada	0.07	0.72	4.74
Belgium	0.06	0.00	-
South Korea	0.06	0.51	1.63
Germany	0.05	1.92	13.03

Performance analysis by country — bottom 5 (%)

	Total effect	Avg. weight	Total return
United States	-3.37	51.19	3.83
Japan	-2.60	15.82	-6.19
United Kingdom	-1.20	7.23	-9.46
Sweden	-0.63	4.47	-6.13
Switzerland	-0.47	6.50	-3.59

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

About risk

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

To the extent an investment focuses on securities issued or guaranteed by companies in a particular industry, the investment's performance will depend on the overall condition of those industries, which may be affected by the following factors: the supply of short-term financing, changes in government regulation and interest rates, and overall economy.

Fixed-income investments are subject to credit risk of the issuer and the effects of changing interest rates.

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.

Junk bonds have greater risk of default or price changes due to changes in the issuer's credit quality. Junk bond values fluctuate more than high quality bonds and can decline significantly over a short time.

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

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