

Market Overview January 2025

Portfolio Managers

Peter Santoro, CFA
Lead Portfolio Manager

Chris McMeans, CFA
Portfolio Manager

Caroline Le Feuvre
Portfolio Manager

Craig Leopold, CFA
Portfolio Manager

Tugce Bengu
Portfolio Manager*

Fund Inception
Dec. 31, 2001

Fund Assets
\$11,146.15 billion
As of January 31, 2025

Investment philosophy

We seek to serve as a foundation for investors' portfolios by employing a total return approach, emphasizing appreciation, income and preservation.

The fund is managed to provide upside participation with better downside preservation over a full market cycle and seeks to deliver a low-volatility, broadly diversified stock portfolio across all market sectors.

Every company we buy is required to pay a dividend at time of purchase.

For additional information,
please visit our website at
invesco.com/us

Not a Deposit Not FDIC Insured
Not Guaranteed by the Bank May Lose Value
Not Insured by any Federal Government Agency

Equity markets edged higher in January, despite an artificial intelligence (AI) related selloff late in the month. Investors were also concerned over tariff policy from the new Trump administration; however, these fears were countered by the potential for a more favorable regulatory environment. Strong economic data and a resilient labor market also provided support, though core inflation data was slightly higher than anticipated. The 12-month headline Consumer Price Index (CPI) was 2.9% in December, but the "core" index, less food and energy came in slightly higher at 3.2%.¹ The US economy grew at an annual rate of 2.3% in the fourth quarter of 2024, based on the advanced estimate. This rate was below the 3.1% growth in third quarter, but still healthy, driven by higher consumer spending.² Employment data was also largely positive, with 256,000 nonfarm payroll jobs added in December.³ The unemployment rate remained low at 4.1%, and wage gains outpaced inflation.³ As was widely expected, the US Federal Reserve held benchmark rates steady, with no rate cuts expected until mid-2025.

In this environment the Diversified Dividend Fund delivered a positive return and outperformed the Russell 1000 Value index.

Fund performance drivers

Stock selection across several sectors drove outperformance with the industrials, real estate, and financials sectors contributing the most to relative results. Motion and control technology manufacturer, Parker Hannifin and General Electric were among the top performing holdings in the industrials sector. Within financials, large banks and capital markets related holdings helped power strong performance as optimism grows that the republican controlled government will lead to a more favorable regulatory environment.

Leading absolute contributors:

- **JPMorgan Chase** rallied in January after delivering 4th quarter earnings results that materially exceeded expectations. Although no forward guidance was provided, outlook from bank leaders was optimistic.
- **Walmart** continued its strong performance from 2024 into January due to solid consumer spending as interest rates fell and growing e-commerce sales.
- **General Electric** delivered a strong earnings beat in its most recent quarterly results sending the share price higher. Management's forward-looking guidance was also upbeat with the CEO forecasting double-digit revenue and earnings growth in 2025.

Alternatively, stock selection in the information technology and materials sectors were the leading detractors from relative performance. IT names broadly came under pressure during the month following the launch of a Chinese competitor to Chat-GPT that is reportedly more efficient and cost effective than other existing large-language-models. The launch sent shockwaves throughout the markets with technology and AI related names being hit the hardest. The Fund's ancillary cash position also weighed on results as the equity markets moved higher.

Leading absolute detractors:

- **Comcast** shares tumbled in January after reporting a drop in broadband internet customers that was larger than expected and a lack of new subscribers to its Peacock streaming service.
- **Sysco**, a food distribution company, delivered an earnings beat driven in part by strength in its international segment, but still ended the month lower amid a decline in U.S. foodservice operations.
- **Broadcom** came under pressure during the month like other AI linked names following the launch of DeepSeek, a Chinese language model that is reported to be more cost-efficient and demands fewer computing resources than competitors.

For more information, including prospectus and factsheet, please visit the Invesco website here: [Diversified Dividend Fund](https://invesco.com/us)

*Effective Mar. 1, 2023, Ms. Bengu's title was changed to Portfolio Manager, however she is not listed in the prospectus.



Sector Allocation	Total Net Assets (%)
Financials	22.29
Health Care	14.80
Industrials	14.69
Information Technology	9.66
Consumer Staples	8.81
Energy	6.67
Consumer Discretionary	5.83
Communication Services	5.18
Utilities	4.39
Materials	2.95
Real Estate	2.88
Cash	1.86

As of January 31, 2025. May not equal 100% due to rounding. The Global Industry Classification Standard was developed by and is the exclusive property and service mark of MSCI, Inc. and Standard & Poor's.

Portfolio Activity and Positioning

From a sector positioning perspective, the team is excited about the way the portfolio is positioned, with a good balance across both sectors and industries, and exposure to areas benefitting from long-term secular growth tailwinds including artificial intelligence, e-commerce, electric vehicles, cloud computing, industrial automation, medical technology, and more efficient delivery of energy.

Importantly, our dual focus on companies generating sustainable levels of free cash flow and healthy balance sheets also gives us a quality bias and provides defensive characteristics that may prove valuable if market volatility continues in 2025.

As an all-weather portfolio, we believe the Fund can help mitigate downside risk if volatility continues in 2025 and should also be well positioned to capture a good portion of the upside if markets move higher. Additionally, we believe that investors will place a heavier focus on dividend paying stocks in 2025 and beyond.

Standardized performance (%) as of January 31, 2025

	Annualized						
Invesco Diversified Dividend Fund	1 Month	3 Months	YTD	1 Year	3 years	5 Years	10 Years
Class A shares at NAV	4.93	4.57	4.93	18.85	7.96	9.01	8.39
Class A shares w/ max 5.50% load	-0.85	-1.18	-0.85	18.85	5.95	7.78	7.77
Russell 1000 Value Index	4.63	3.70	4.63	19.54	8.08	10.15	9.42
Morningstar Large Value Percentile Ranking				49% (576/1164)	56% (605/1093)	81% (844/1034)	81% (643/804)

As of the latest quarter ending, December 31, 2024

Invesco Diversified Dividend Fund	1 Month	3 Months	YTD	1 Year	3 years	5 Years	10 Years
Class A shares at NAV	-5.24	-0.70	13.14	13.14	6.58	7.59	7.66
Class A shares w/ max 5.50% load	-10.45	-6.14	6.89	6.89	4.59	6.38	7.05
Russell 1000 Value Index	-6.84	-1.98	14.37	14.37	5.63	8.68	8.49
Morningstar Large Value Percentile Ranking				62% (692/1170)	45% (472/1095)	83% (855/1036)	81% (644/808)

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.invesco.com/performance) 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 loss when you sell shares. Index returns do not reflect any fees, expenses or sales charges. Performance shown at NAV does not include applicable front-end sales charges (max. 5.50%), which would have reduced performance. Performance for other share classes will differ due to differing sales charge structures and class expenses. Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information. Return figures for periods shown are annualized.

Morningstar rankings are based on total return, excluding sales charges and including fees and expenses versus all funds in the Morningstar category. Open-end mutual funds and exchange-traded funds are considered a single population for comparison purposes. Had fees not been waived and/or expenses reimbursed currently or in the past, the ranking would have been lower. ©2025 Morningstar, Inc. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers. It may not be copied or distributed and 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. Past performance is no guarantee of future results.

Returns for periods of less than one year are cumulative and not annualized.

Annual expense ratios: Class A shares (total) 0.82% per the current prospectus. See current prospectus for more information.

Inception date: Class A shares inception Dec. 31, 2001

The Russell 1000® Value Index is an unmanaged index considered representative of large-cap value stocks. The Russell 1000 Value Index are a trademark/service mark of the Frank Russell Co.

An investment cannot be made directly in an index. Past performance is not a guarantee of future results.

The Consumer Price Index is a measure of the average change over time in the prices paid by urban consumers for a marker basket of consumer goods and services.

1.Source: US Bureau of Labor Statistics, January 15, 2025

2.Source: US Bureau of Economic Analysis, January 30, 2025

3.Source: US Bureau of Labor Statistics, January 10, 2025

GDP: Gross Domestic Product, 4th Quarter and Year 2024 (Advance Estimate) | U.S. Bureau of Economic Analysis (BEA)

CPI: <https://www.bls.gov/news.release/cpi.nr0.htm>

Employment: Employment Situation Summary - 2024 M13 Results

January 2025 Review and Outlook | Nasdaq

As of 01/31/25, the Invesco Diversified Dividend Fund had 3.55% of its assets in JPMorgan Chase, 3.13% in Walmart, 1.32% in General Electric, 1.01% in Comcast, 1.52% in Sysco, 1.62% in Parker-Hannifin, and 0.71% in Broadcom.

Important disclosures:

Holdings are subject to change and are not buy/sell recommendations. The investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

The opinions expressed are those of the Portfolio Managers of the Invesco Diversified Dividend Fund and 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.

Forward-looking statements are not guarantees of future results. They invoke risks, uncertainties and assumptions, there can be no assurance that actual results will not differ materially from expectations.

About risk

The Fund's value may be affected by changes in the stock markets. Stock markets may experience significant short-term volatility and may fall or rise sharply at times. Adverse events in any part of the equity or fixed income markets may have unexpected negative effects on other market segments. Different stock markets may behave differently from each other and U.S. stock markets may move in the opposite direction from one or more foreign stock markets.

Securities that pay high dividends as a group can fall out of favor with the market, causing such companies to underperform companies that do not pay high dividends. Also changes in the dividend policies of the companies and the capital resources available for such companies' dividend payments may affect the Fund

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

A value style of investing is subject to the risk that the valuations never improve or that the returns will trail other styles of investing or the overall stock markets.

The investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

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.

Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their financial professional for a prospectus/summary prospectus or visit invesco.com/fundprospectus.