Invesco Emerging Local Currencies Debt Fund

A-Acc Shares

31 January 2020

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Summary of fund objective

The objective of the Fund is to achieve long-term capital growth and high income. The Fund will invest at least two thirds of its total assets in a flexible allocation of cash, debt securities (including corporate bonds, and bonds issued by supranational organisations) and financial derivative instruments which are denominated in the currency of emerging market countries. For the full objectives and investment policy please consult the current prospectus.

Key facts



Michael Hyman
Atlanta
Managed fund since
October 2016



Hemant Baijal
New York
Managed fund since
June 2019



Wim Vandenhoeck
New York
Managed fund since
June 2019

Share class launch
14 December 2006

Original fund launch
14 December 2006

Legal status
Luxembourg SICAV with UCITS status

Share class currency
USD

Share class type
Accumulation

Fund size
USD 256.32 mn

Reference index
JP Morgan GBI-EM Global Diversified Composite

Bloomberg code
INELCAA LX

ISIN code
LU0275062247

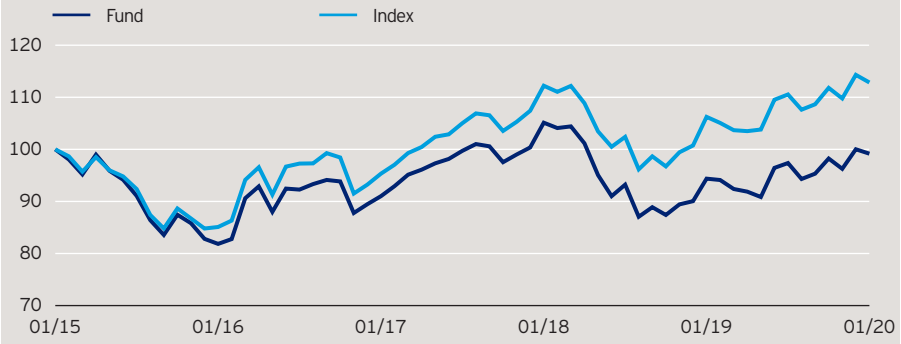
Settlement date
Trade Date + 3 Days

Morningstar Rating™
★★

Quarterly fund commentary

The fund was closed to investment by new shareholders at 12:00 (Irish time) on 10 January 2020. On this date existing investors were notified of the intention to merge the Fund into another fund in the SICAV range, namely the Invesco Emerging Markets Local Debt Fund. For more information and future updates please go to www.invescomanagementcompany.lu/lux-manco. Emerging market (EM) local currency bonds returned 5.20% for the quarter, as measured by the benchmark J.P. Morgan GBI-EM Global Diversified Index. The index yield ended the period at 5.99% (Morningstar/BlackRock). The fund's absolute performance for the quarter was mainly driven by foreign currency, followed by rates. Over the quarter, we saw evidence that the decline in global growth was nearing an end. As a result, we believe that global growth will remain at the same level as that of 2019, and more likely, at slightly higher levels in 2020. With stabilizing growth, the urgency to provide looser monetary conditions has diminished. In emerging market countries, there are several central banks with room to cut interest rates. We believe it is unlikely that inflation will rise in any major country other than for base effects. As such, we expect that central banks in India, Indonesia, Mexico and Russia can continue to deliver a few more rate cuts. Our view on the US dollar (USD) and EM currencies has started to be borne out in the fourth quarter of 2019. The substantial easing of monetary policy in the US should lead to a weaker USD over time.

Indexed performance*



The performance period shown here starts on the last day of the first indicated month and ends on the last day of the last indicated month.

Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	-0.85	-0.85	5.08	8.97	-0.83
Index	-1.29	-1.29	6.22	18.37	12.84
Quartile ranking	2	2	3	4	4
Absolute ranking	30/101	30/101	54/92	59/75	63/67

Mstar GIF OS Sector: Global Emerging Markets Bond - Local Currency

Calendar year performance*

in %	2015	2016	2017	2018	2019
Fund	-16.48	8.03	12.18	-10.28	11.07
Index	-14.92	9.94	15.21	-6.21	13.47

Standardised rolling 12 month performance*

in %	31.01.15 31.01.16	31.01.16 31.01.17	31.01.17 31.01.18	31.01.18 31.01.19	31.01.19 31.01.20
Fund	-18.16	11.20	15.51	-10.22	5.08
Index	-14.91	12.03	17.72	-5.33	6.22

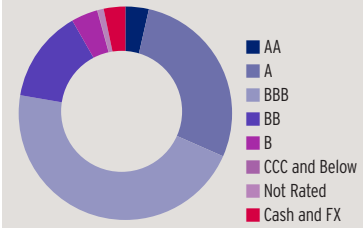
Past performance is not a guide to future returns. The performance shown does not take account of the commissions and costs incurred on the issue and redemption of units.

*Source: © 2020 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Gross income re-invested to 31 January 2020 unless otherwise stated. The figures do not reflect the entry charge payable by individual investors. All performance data on this factsheet is in the currency of the share class. Reference Index Source: Factset.

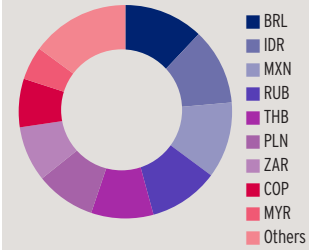
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Credit ratings of the fund in %*



Currency exposure of the fund in %*



NAV and fees

Current NAV
USD 13.59

12 month price high
USD 13.79 (13/01/2020)

12 month price low
USD 12.37 (21/05/2019)

Minimum investment [1]
USD 1,500

Entry charge
Up to 5.00%

Annual management fee
1.5%

Ongoing charges [2]
1.87%

Credit ratings*

(average rating: BBB)

in %	Fund	Index
AA	3.5	6.8
A	28.1	38.6
BBB	46.1	40.0
BB	14.0	13.4
B	4.0	0.0
CCC and Below	0.1	0.0
Not Rated	0.9	1.3
Cash and FX	3.3	0.0

Duration distribution*

(average duration: 6.2)

in %	Fund	Index
Under 3 years	13.6	25.4
3-4 years	19.2	15.2
4-5 years	10.0	9.5
5-6 years	11.0	9.5
6+ years	46.2	40.5

Sector weightings*

in %	Fund	Index
Local Debt	94.4	100.0
Others	2.3	0.0
Cash and FX	3.3	0.0

Yield %*

Gross Current Yield	6.75
Gross Redemption Yield	5.25

Currency exposure*

in %	Fund	Index
BRL	12.0	10.0
IDR	11.6	10.0
MXN	11.6	10.0
RUB	10.6	8.8
THB	9.4	9.5
PLN	9.1	9.0
ZAR	8.4	9.1
COP	7.3	6.1
MYR	5.1	6.3
Others	14.9	21.2

Maturity distribution*

in %	Fund	Index
0-3 years	10.3	22.6
3-7 years	40.7	35.2
7-10 years	21.5	17.7
10-15 years	14.4	12.4
15+ years	13.1	12.0

Geographical weightings*

in %	Fund	Index
Indonesia	12.5	10.0
Russia	11.6	8.8
Colombia	11.1	6.1
Mexico	10.8	10.0
Brazil	9.1	10.0
South Africa	8.5	9.1
Thailand	5.3	9.5
Turkey	4.9	3.7
Others	23.0	32.8
Cash and FX	3.3	0.0

3 year characteristics**

Alpha	-2.98
Beta	1.04
Correlation	0.98
Information ratio	-1.50
Sharpe ratio	0.12
Tracking error in %	1.81
Volatility in %	9.91

For detailed information about the 3 year characteristics please see http://assets.invescohub.com/invesco-eu/glossary.pdf.

Source: *Invesco. Portfolio weightings and allocations are subject to change. The weightings for each breakdown are rounded to the nearest tenth or hundredth of a percent; therefore, the aggregate weights for each breakdown may not equal 100%. **Morningstar.

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Risk Warnings

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 distressed securities which carry a significant risk of capital loss. 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. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund.

Important Information

[1]The minimum investment amounts are: USD 1,500 / EUR 1,000 / GBP 1,000 / CHF 1,500 / SEK 10,000. Please contact us or refer to the most up to date Prospectus for details of minimum investment amounts in other currencies.
[2]The ongoing charges figure is based on annualised expenses for the period ending August 2019. This figure may vary from year to year. It excludes portfolio transaction costs except in the case of an entry or exit charge paid by the Fund when buying or selling shares/units in another fund.

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