

Invesco Sterling Bond Fund

A (EUR Hgd)-QD Shares

30 September 2018

This marketing document is exclusively for use by Qualified Investors in Switzerland, Professional Clients in Continental European countries as defined in the important information section and Professional Clients in Malta. This document is not for consumer use, please do not redistribute.
This document may also be used by financial intermediaries in the United States as defined in the important information section.

Summary of fund objective

The Fund aims to generate income together with long term capital growth. The Fund invest a minimum of 50% of its net assets in debt instruments denominated in Pounds Sterling and may invest up to 50% in non-investment grade debt instruments. For the full objectives and investment policy please consult the current prospectus.

Key facts



Michael Matthews
 Henley -on- Thames
 Managed fund since
 April 2006

Share class launch

24 February 2016

Original fund launch ¹

24 January 1997

Legal status

Mutual Fund - Irish Unit Trust authorised as UCITS

Share class currency

EUR

Share class type

Income

Fund size

GBP 728.26 mn

Reference index

Mstar GIF OS GBP Diversified Bond

Bloomberg code

INSBAQE ID

ISIN code

IE00BDFLVM76

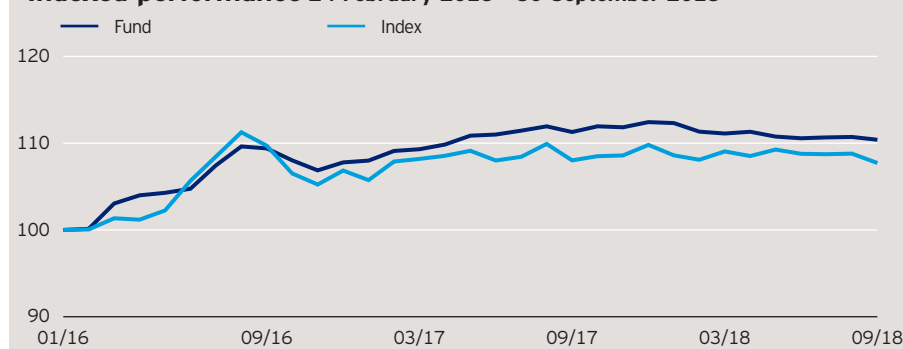
Settlement date

Trade Date + 3 Days

Quarterly fund commentary

The fund will be merged from an Irish to a Luxembourg-domiciled fund vehicle on 5 October 2018. Sterling corporate bonds were negatively affected by rising Gilt yields during the third quarter of 2018. However, after narrowing during July, the premium over Gilts that companies need to pay to borrow in sterling remained relatively constant through August and September. The best performing area of the market was healthcare while services and transportation were the weakest sectors. Performance was strongest for higher yielding corporates with subordinated financials and non-financial high yield bonds both posting positive returns over the three-month period. The subordinated bonds of companies within the financial sector remain the fund's largest sectoral allocation. These are junior bonds within a company's capital structure that may have some equity like characteristics. The two largest non-financial exposures are to the utility and telecom sectors. Interest rate sensitivity (duration) remains low. To benefit from the additional yield currently available, the fund holds around 13% in US dollar denominated bonds. The majority of this exposure is hedged back to sterling. As at 30 September 2018, the fund had a modified duration of 3.9 compared to the sterling corporate bond market, which had a modified duration of 8.0.

Indexed performance 24 February 2016 - 30 September 2018*



Each period starts at the end of the indicated month. The first indicated month may not represent a full month and may start only on the launch/restructuring date indicated in the headline.

Cumulative performance*

in %	YTD	1 month	1 year	3 years	Since inception
Fund	-1.81	-0.29	-0.80	-	10.39
Index	-1.87	-0.99	-0.25	-	7.75

Calendar year performance*

in %	2013	2014	2015	2016	2017
Fund	-	-	-	-	4.31
Index	-	-	-	-	2.75

Standardised rolling 12 month performance*

in %	30.09.13 30.09.14	30.09.14 30.09.15	30.09.15 30.09.16	30.09.16 30.09.17	30.09.17 30.09.18
Fund	-	-	-	1.73	-0.80
Index	-	-	-	-1.54	-0.25

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.

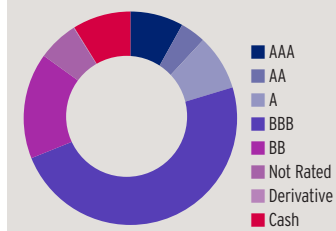
*Source: © 2018 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Gross income re-invested to 30 September 2018 unless otherwise stated. The figures do not reflect the entry charge payable by individual investors. All performance data on this factsheet is in the currency of the share class, apart from the index performance which is shown in GBP. Reference Index Source: Morningstar.

Invesco Sterling Bond Fund

A (EUR Hgd)-QD Shares

30 September 2018

Credit ratings of the fund in %*



NAV and fees

Current NAV

EUR 10.15

12 month price high

EUR 10.65 (06/11/2017)

12 month price low

EUR 10.13 (25/09/2018)

Minimum investment ²

EUR 1,000

Entry charge

Up to 5.00%

Annual management fee

0.75%

Ongoing charges

0.97% (30/11/2017)

Top 10 issuers*

(total holdings: 193)

	in %
Barclays	5.2
Lloyds	4.0
Vodafone	4.0
Nat West	3.8
Tesco	3.3
EIB	2.8
Santander UK	2.6
John Lewis	2.4
Std Life	2.2
RWE	1.7

Credit ratings*

(average rating: BBB-)

	in %
AAA	8.1
AA	3.9
A	8.4
BBB	48.6
BB	16.0
Not Rated	6.1
Derivative	0.1
Cash	8.8

Modified duration*

in %

Modified duration	3.9
-------------------	-----

Yield %*

Gross Current Yield	4.42
Gross Redemption Yield	3.46

Invesco Sterling Bond Fund

A (EUR Hgd)-QD Shares

30 September 2018

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. The fund may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund.

Important Information

¹The Original Fund Launch date shown herein is different from the fund launch date shown in the KIID, as it indicates the launch date of a previous fund that was merged into the fund shown and therefore the track record starts with this previous fund. Further information can be found on our website: www.invescoeurope.com.

²The 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.

This marketing document is exclusively for use by Professional Clients in Continental Europe and Malta and Qualified Investors in Switzerland. This document is not for consumer use, please do not redistribute. For the purpose of the distribution of this document Continental Europe is defined as Switzerland, Spain. Data as at 30 September 2018, unless otherwise stated. This document is marketing material and is not intended as a recommendation to invest in 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. The information provided is for illustrative purposes only, it should not be relied upon as recommendations to buy or sell securities. By accepting this document, you consent to communicate with us in English, unless you inform us otherwise.

Past performance is not a guide to future returns. Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice and are not to be construed as investment advice. This marketing document is not an invitation to subscribe for shares in the fund and is by way of information only, it should not be considered financial advice. This does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Persons interested in acquiring the fund should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences. As with all investments, there are associated risks. This document is by way of information only. Asset management services are provided by Invesco in accordance with appropriate local legislation and regulations. The fund is available only in jurisdictions where its promotion and sale is permitted. 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. Fee structure and minimum investment levels may vary dependent on share class chosen. Please check the most recent version of the fund prospectus in relation to the criteria for the individual share classes and contact your local Invesco office for full details of the fund registration status in your jurisdiction. Forecasts are not reliable indicators of future performance. The ongoing charges figure is based on annualised expenses for the period ending 30/11/2017. 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. For more information on our funds, please refer to the most up to date relevant fund and share class specific Key Investor Information Documents, the latest Annual or Interim Reports and the latest Prospectus, and constituent documents. This information is available using the contact details of the issuer and is without charge. Further information on our products is available using the contact details shown. The yields shown are expressed as a % per annum of the current NAV of the fund. They are an estimate for the next 12 months, assuming that the fund's portfolio remains unchanged and there are no defaults or deferrals of coupon payments or capital repayments. Cash income is estimated coupons from bonds. The gross current yield is an indication of the expected cash income over the next 12 months. The estimated gross redemption yield is a longer-term picture indicating expected annual total return. This means that in addition to expected cash income, it includes the amortised annual value of unrealised capital gains or losses of bond holdings currently held by the fund, calculated with reference to their current market price and expected redemption value made upon maturity of the bonds. Neither of the yields is guaranteed. Nor do they reflect the fund charges or the entry charge of the fund. Investors may be subject to tax on distributions. The yield is not guaranteed and may go down as well as up. Subscriptions of shares are only accepted on the basis of the most up to date legal offering documents. The legal offering documents (fund & share class specific Key Investor Information Document, prospectus, annual and semi-annual reports, articles and trustee deed) are available free of charge with your local Invesco representative or on our website www.invescoeurope.com.

© 2018 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.

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. 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. 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 or Invesco Fund Series 1-6. All entities are indirect, wholly owned subsidiaries of Invesco Ltd.

Invesco Sterling Bond Fund

A (EUR Hgd)-QD Shares

30 September 2018

Important Information

Additional information for Malta: Issued in Malta by Invesco Asset Management S.A. 18, rue de Londres, 75009 Paris. Authorised and regulated by the Autorité des marchés financiers in France. Investments should be based on the full details of the Prospectuses. The Prospectuses, the fund and share class-specific Key Investor Information Documents and further information are available from Invesco Asset Management S.A.

Additional information for Spain: Issued in Spain by Invesco Asset Management S.A., Sucursal en España, C/ Goya 6 - 3º, 28001 Madrid, Spain.

Additional information for Switzerland: Issued in Switzerland by Invesco Asset Management (Schweiz) AG, Talacker 34, CH-8001 Zurich, who acts as representative for the funds distributed in Switzerland. Paying agent for the funds distributed in Switzerland: BNP PARIBAS SECURITIES SERVICES, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich. The legal offering documents are available free of charge at our website and local language from the issuer of this document. The fund is domiciled in Ireland.