



# Invesco European Equity Income Fund (UK)

June 2020

Covering the month of May 2020

On 31 December 2019, Oliver Collin became the fund manager of the Invesco European Equity Income Fund (UK).



**Fund manager:** Oliver Collin

## Key facts<sup>1</sup>

<b>Oliver Collin</b>	
Managed fund since	December 2019
Industry experience	9 years
Based in	Henley -on- Thames
Fund launch date	12 December 2007
Fund size	£422.58m
Legal status	UK authorised ICVC
Yield (Z Accumulation share class)	
Historic yield <sup>2</sup>	4.13%
Income distribution date(s)	31 March 30 June 30 September 31 December
Accounting period ends	30 April 31 October
Available with an ISA?	Yes

## Benchmark

Benchmark: Investment Association Europe excluding UK Sector\*

This is a Comparator Benchmark. Given its geographic focus the Fund's performance can be compared against the Benchmark. However, the Fund is actively managed and is not constrained by any benchmark.

\* Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to facilitate comparison between funds with broadly similar characteristics.

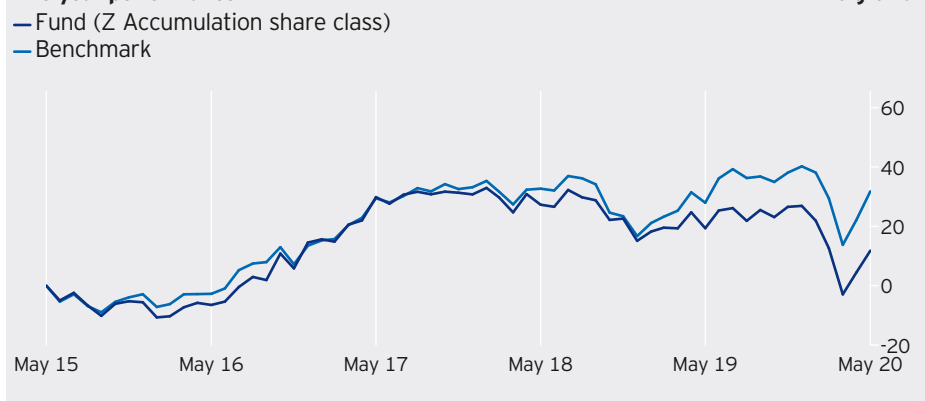
## Fund investment objective and policy

The objective of the Fund is to achieve income and capital growth over the long-term (5 years plus). The Fund invests at least 80% of its assets in shares of companies incorporated, domiciled or carrying out the main part of their economic activity in Europe, excluding the UK. The Fund may use derivatives (complex instruments) to manage the Fund more efficiently, with the aim of reducing risk, reducing costs and/or generating additional capital or income.

## Fund strategy

The fund aims to generate a rising level of income together with long-term capital growth by investing primarily in European equities, excluding the UK. The fund strategy rests primarily on rigorous fundamental analysis, seeking to invest in companies with attractive valuations according to the fund manager, having the potential to pay and grow their dividends, and deliver capital appreciation. Avoiding reliance on short-term trends and following the principle that valuation is the key determinant of future returns over the longer term sits at the heart of the investment philosophy.

## Five year performance



## Performance

	% growth					
	1 year	3 years	5 years	5 years ACR*	10 years	10 years ACR*
Fund (Z Accumulation share class)	-6.35	-13.90	11.78	2.25	107.13	7.55
Benchmark	2.98	1.79	31.77	5.67	116.73	8.04

\*ACR - Annual Compound Return

## Standardised rolling 12-month performance

	% growth				
	31.03.15	31.03.16	31.03.17	31.03.18	31.03.19
	31.03.16	31.03.17	31.03.18	31.03.19	31.03.20
Fund (Z Accumulation share class)	-6.58	30.02	3.44	-4.32	-18.64
Benchmark	-1.76	24.05	5.77	-1.66	-9.16

**Past performance is not a guide to future returns.** Performance figures are based on the Z Accumulation share class. As this was launched on 12 November 2012, for the periods prior to this launch date, performance figures are based on the accumulation share class, without any adjustment for fees. Performance figures for all share classes can be found in the relevant Key Investor Information Document. Fund performance figures are shown in sterling, inclusive of reinvested income and net of the ongoing charge and portfolio transaction costs to 31 May 2020 unless otherwise stated. Sector average performance is calculated on an equivalent basis. The standardised past performance information is updated on a quarterly basis. Source: Lipper.

<b>Top 10 holdings<sup>1</sup></b>	<b>%</b>	<b>Country of investment breakdown<sup>1</sup></b>	<b>%</b>
Sanofi	5.61	France	26.14
Novartis	4.86	Germany	19.13
Roche	4.60	Switzerland	12.51
EDP Energias Portugal	3.59	Netherlands	7.45
Siemens	3.54	Ireland	4.79
Deutsche Telekom	3.52	Finland	4.77
UPM	3.43	Spain	4.75
Deutsche Post	3.21	Austria	3.77
Orange	3.09	Portugal	3.59
Ahold Delhaize	2.75	Denmark	3.42
<b>Total Top 10 holdings (%)</b>	<b>38.21</b>	Italy	3.32
<b>Total number of holdings</b>	<b>52</b>	Norway	2.19
<b>Industry breakdown<sup>1,3</sup></b>	<b>%</b>	Sweden	2.13
Financials	17.85	Luxembourg	0.98
Health Care	16.31	Belgium	0.86
Industrials	13.94	Cash	0.20
Consumer Services	9.85	<b>Total</b>	<b>100</b>
Telecommunications	8.74		
Oil & Gas	7.67		
Consumer Goods	7.37		
Basic Materials	6.75		
Utilities	6.00		
Technology	5.32		
Cash	0.20		
<b>Total</b>	<b>100</b>		

#### Investment risks

- 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.
- The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing and/or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The Manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund.
- As one of the key objectives of the fund is to provide income, the ongoing charge is taken from capital rather than income. This can erode capital and reduce the potential for capital growth.
- Although the Fund invests mainly in established markets, it can invest in emerging and developing markets, where there is potential for a decrease in market liquidity, which may mean that it is not easy to buy or sell securities. There may also be difficulties in dealing and settlement, and custody problems could arise.
- As a result of COVID-19, markets have seen a noticeable increase in volatility as well as, in some cases, lower liquidity levels; this may continue and may increase these risks in the future. In addition, some companies are suspending, lowering or postponing their dividend payments, which may cause those funds that have an income objective to pay a lower income during this period.

#### Contact information

##### Client services

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Telephone calls may be recorded.

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#### Important information

- <sup>1</sup> All fund portfolio figures within this leaflet are as at 31 May 2020 (source: Invesco).
- <sup>2</sup> The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. It does not include any entry charge and investors may be subject to tax on their distributions. The fund's ongoing charge is charged to capital. This has the effect of increasing the distributions for the year by the amount of the ongoing charge and constraining the fund's capital performance to an equivalent extent.
- <sup>3</sup> Industry Classification Benchmark is a joint product of FTSE International Limited and Dow Jones & Company, Inc. and has been licensed for use in our industry breakdown.

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. 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.

For the most up to date information on our funds, please refer to the relevant fund and share class specific Key Investor Information Documents, the Supplementary Information Document, the ICVC ISA Terms and Conditions, the Annual or Interim Reports and the Prospectus, which are available using the contact details shown.

#### Who is this fund for?

##### The fund might be right for you if you:

- Are a private or professional investor looking for income and growth over the long term.
- Are able to make an informed investment decision based on this document and the Key Investor Information Document (KIID).
- Are willing to accept that your capital is at risk and you may not get back the amount invested.

##### The fund will not be right for you if you:

- Require capital protection or have no appetite for risk.