



Invesco Pan European High Income Fund

31 August 2020

Morningstar Rating™**



Important Information

- The Fund invests primarily in European securities (debt and equity).
- Investors should note the dynamic asset allocation risk, liquidity risk, risk of Eurozone crisis, risk of investing in convertibles/convertible bonds/convertible debts, sovereign debt risk, concentration risk of investing in higher yielding European debt securities and equities, risk of investing in perpetual bonds, risk associated with investments in debt instruments with loss-absorption features including senior non-preferred debts, contingent convertible bonds which are subject to the risk of being written down or converted to ordinary shares upon the occurrence of pre-defined trigger events and may result in a significant or total reduction in the value of such instruments, currency exchange risk, equities risk, credit rating risk, volatility risk, general investment risk, and investment in bonds or other fixed income securities is subject to (a) interest rate risk (b) credit risk (including default risk, downgrading risk and liquidity risk) and (c) risks relating to high yield bonds/non-investment grade bonds and/or un-rated bonds.
- Financial derivative instruments (FDI) may be used for efficient portfolio management and hedging purpose and extensively for investment purposes. Net derivative exposure may be more than 100% of the Fund's net asset value. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. As a result of the use of FDI extensively for investment purposes, investors should note the additional/high leverage risk. Also, the active FDI positions implemented by the Fund may not be correlated with its underlying securities positions held by the Fund which may lead to a significant or total loss to the Fund. The Fund does not have any guarantees. Investors might not get back the full amount of money you invest.
- For certain share class(es), the Fund may at discretion pay dividend out of the capital and/or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any such distributions may result in an immediate reduction of the net asset value per share in respect of such share class after the monthly distribution date. (Note 1)
- In addition, investors of Monthly Distribution-1 share class that are currency hedged (MD-1 hedged) should be aware of the uncertainty of relative interest rates. The net asset value of the MD-1 hedged may fluctuate and may significantly differ from other share class due to fluctuation of the interest rate differential between the currency in which the MD-1 hedged is denominated and the base currency of the Fund and may result in a greater erosion of capital than other non-hedged share class. (Note 2)
- The value of the Fund can be volatile and could go down substantially.
- Investors should not base their investment decision on this material alone.

Objectives and investment strategy

The Fund aims to achieve a high level of income together with long-term capital growth. The Fund seeks to achieve its objective by investing primarily in European securities (debt and equity). At least 50% of the NAV will be invested in debt securities. For the full objectives and investment policy please consult the current prospectus.

Key facts

Fund manager Paul Causier, Paul Read, Stephanie Butcher, Thomas Moore

Share class launch date A (EUR)-QD Shares 31/3/06

Legal Status Luxembourg SICAV with UCITS status

Share class currency EUR

Fund Size EUR 8.24 bn

Initial Charge (up to) 5.00%

Annual Management Fee 1.25%

Reference Benchmark 20% MSCI Europe ex UK | 35% Barclays Pan European Agg (Eur Hedged) | 45% ICE BoAML EUR HY

Asset breakdown	%
High Yield	41.2
Investment Grade	34.6
Equity	18.1
Cash	5.6
Not Rated	0.4
Fund	0.1

References	IVRS Code	Bloomberg code	ISIN code
A(AUD Hgd)-MD-1 Shares	945	IPEUHAU LX	LU1297947126
A(CAD Hgd)-MD-1 Shares	946	IPEHAMC LX	LU1297947399
A(EUR)-AD Shares	928	INVCADL LX	LU0794790716
A(EUR)-QD-GI Shares	939	INPEAQE LX	LU1075212677
A(HKD Hgd)-MD-1 Shares	929	INAHHMI LX	LU1701701481
A(NZD Hgd)-MD-1 Shares	947	INPEHAMN LX	LU1297947639
A(USD Hgd)-Acc Shares	938	IPEAAUH LX	LU1075211430
A(USD Hgd)-MD-1 Shares	944	IPAM1UH LX	LU1097692237
A(EUR)-Acc Shares	925	INVCEAA LX	LU0243957239
A(EUR)-MD-1 Shares	943	IPAMD1E LX	LU1097692153
A(EUR)-QD Shares	924	INVCERA LX	LU0243957312

Yield	%
Gross Current Yield	3.83
Gross Redemption Yield	3.16

3 year characteristics*

	A (EUR)-QD Shares
Volatility	8.87
Peer Group Volatility	8.95

Volatility is measured by the standard deviation of the fund, based on its annual rates of return over the past 3 years in base currency of the fund. So, for funds with performance less than 3 years, the volatility figure will not be available. Peer Group Volatility refers to the volatility of the offshore and international funds which are categorised under EUR Cautions Allocation Sector by Morningstar.

Holding (total holdings: 546)

Top 10 Equity Holdings (%)

Fund	
Sanofi	1.00
Novartis	0.91
Roche	0.82
Siemens	0.70
Deutsche Post	0.67
UPM	0.61
Deutsche Telekom	0.59
Capgemini	0.59
Adecco	0.54
Energias de Portugal	0.53

Top 10 Bond Issuers(%)

Fund	
Unicredit	2.73
Intesa	2.55
Enel	2.01
Italy	1.94
HSBC	1.80
Santander	1.75
US	1.72
UBS	1.46
Telecom Italia	1.38
Lloyds	1.28

Credit ratings

	average rating: BB+	%
AAA		4.2
AA		0.6
A		4.9
BBB		25.0
BB		27.0
B		11.1
CCC and Below		3.1
Not Rated		0.5
Equity		18.1
Cash		5.6

Important Information

The Fund is a complex product, investors should exercise caution in relation to the Fund. The investment performances are denominated in EUR. US/HK dollar-based investors are therefore exposed to fluctuations in exchange rates. Derivatives and cash equivalent instruments are excluded in the calculation of Top 10 holdings. Investment involves risks. Past performance is not indicative of future performance. Investors should read the relevant prospectus for details, including the risk factors and product features. This material has not been reviewed by the Securities and Futures Commission and is issued by Invesco Hong Kong Limited (景順投資管理有限公司). ©2020 Morningstar, Inc. 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 provided for reference purposes only. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Asset allocation data is derived by Morningstar using full holdings data provided by Invesco. Morningstar Licensed Tools and Content powered by Interactive Data Managed Solutions. All data is as of the date of this document and sourced from Invesco unless otherwise stated. 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%.

*Source: Data as of the date of this document. Performance of the share class(es) and Morningstar rating are sourced from ©2020 Morningstar. Index performance is sourced from Invesco. Morningstar rating (if applicable) is given to the share class as shown in the Indexed performance chart. Performance of the share class(es) is calculated based on NAV to NAV, gross income re-invested in share class currency.

Prospectus and Financial Reports



KFS of the fund



202009/AP1319

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Product features

- The Fund will invest at least 50% of the NAV in debt securities.
- The Fund may use derivatives including derivatives on credit, rates, equities and currencies and may be used to achieve both long and short positions, which overall will not result in the Fund being directionally short or short any asset class.

Please refer to page 1 for the risk disclosure box and the Important Information of the fund.