



Invesco Belt and Road Bond Fund

29 February 2024

Important Information

- The Fund invests primarily in debt securities whose issuers, guarantors and/or domiciled countries could or would directly or indirectly benefit from China's Belt and Road vision of increasing land and sea paths to connect Asia, Europe, Middle East and Africa and their adjacent seas for closer economic co-operation.
- Investors should note the general investment risk, risk of misalignment between the Fund's investment theme and the Belt and Road vision, risks of investing in companies related to the Belt and Road Initiative, emerging markets risk, liquidity risk, sovereign debt risk, portfolio turnover risk, Eurozone risk, hedged unit classes risk, RMB class(es) related risk, counterparty risk, currency and foreign exchange risk, concentration risk/China market risk, and 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.
- Debt Securities is subject to (a) interest rate risk; (b) credit risk (including default risk, credit rating risk, credit rating downgrade risk and liquidity risk); (c) risks relating to below investment grade and unrated securities; and (d) valuation risk.
- Financial derivative instruments may be used for hedging. The use of derivatives may become ineffective and the Fund may suffer significant losses.
- For Monthly Distribution-1 unit class (MD1), (a) the Fund Manager may at discretion pay distributions out of the capital and/or effectively out of capital, which 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 unit in respect of such unit class after the distribution date; (b) Investments in MD1 are not an alternative to a savings account or fixed-interest paying investment, investors may not be able to get back the original investment amount; and (c) The fixed amount of distributions per month is subject to risk of exchange rate fluctuations. (Note 1)
- In addition, investors of MD-1 that are currency hedged (MD1 hedged) should be aware of the uncertainty of relative interest rates. The net asset value of the MD1 hedged may fluctuate and may significantly differ from other unit class due to fluctuation of the interest rate differential between the currency in which the MD1 hedged is denominated and the base currency of the Fund and may result in a greater erosion of capital than other non-hedged unit 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 is a thematic product which aims to achieve long-term total returns in terms of both income and capital growth by investing primarily in debt securities whose issuers, guarantors and/or domiciled countries could or would directly or indirectly benefit from China's Belt and Road vision of increasing land and sea paths to connect Asia, Europe, Middle East and Africa and their adjacent seas (the "Belt and Road Region") for closer economic co-operation (the "Belt and Road Initiative").

Key facts

| | |
|-------------------------------|--------------------------|
| Fund Manager | Yifei Ding, Norbert Ling |
| Unit class launch date | 01/03/18 |
| Legal status | Hong Kong Unit Trust |
| Unit class currency | USD |
| Fund size | USD 8.85 mn |
| Initial Charge (Up to) | 5.00 % |
| Annual management fee | 1.25 % |

| Reference | IVRS code | Bloomberg code | ISIN code |
|-----------------|-----------|----------------|--------------|
| A (USD)-Acc | 791 | IBRBAUA HK | HK0000395894 |
| A (USD)-MD | 793 | IBRAUMD HK | HK0000395902 |
| A (USD)-MD1 | 792 | IBRBAUM HK | HK0000395910 |
| A (HKD)-MD | 796 | IBRBAHM HK | HK0000395928 |
| A (HKD)-MD1 | 795 | IBRAHMD HK | HK0000395936 |
| A (RMB Hgd)-MD1 | 794 | IBRBARH HK | HK0000395944 |

| Yield | % |
|------------------------|------|
| Gross Current Yield | 4.52 |
| Gross Redemption Yield | 5.90 |

The current yield of a bond fund is the weighted average current yield of underlying bonds in gross in the portfolio. Current yield of an individual bond refers to the annual interest divided by the market price of a bond. The figure is not the dividend yield received by the investors and is subject to change from time to time. For annualized dividend yield, please refer to Distribution information.

Although the Fund does not charge a redemption fee, investors may still be subject to swing pricing adjustments when they redeem from the Fund. For further details, please refer to "Adjustment of Prices" under the section "VALUATION AND SUSPENSION" in the Prospectus.

| Holding | (total holdings: 42) | % |
|---|----------------------|-----|
| Top 10 holdings | | |
| HSBC HOLDINGS PLC 4.25% Mar 14 2024 | | 4.6 |
| TREASURY BOND (OLD) 4.75% Nov 15 2043 | | 2.9 |
| ADARO INDONESIA PT 4.25% Oct 31 2024 | | 2.8 |
| SAUDI ARABIA (KINGDOM OF) 5% Jan 16 2034 | | 2.8 |
| CBQ FINANCE LTD MTN 2% Sep 15 2025 | | 2.7 |
| NIPPON LIFE INSURANCE CO 6.25% Sep 13 2053 | | 2.4 |
| ELECTRICITE DE FRANCE SA 6.25% May 23 2033 | | 2.4 |
| DP WORLD CRESCENT LTD 5.5% Sep 13 2033 | | 2.3 |
| CHINA CINDA ASSET MANAGEMENT CO LT MTN 4.1% Mar 09 2024 | | 2.3 |
| MEDCO OAK TREE PTE LTD 7.375% May 14 2026 | | 2.3 |

Fund performance *



| | Cumulative performance* | | | | | Calendar year performance* | | | | |
|-----------------|-------------------------|--------|---------|---------|--|----------------------------|------|-------|--------|-------|
| % | YTD | 1 year | 3 years | 5 years | | 2019 | 2020 | 2021 | 2022 | 2023 |
| A (USD)-Acc | -0.11 | 0.00 | -17.57 | -8.25 | | 11.97 | 4.73 | -1.81 | -18.03 | 1.23 |
| A (USD)-MD | - | - | - | - | | 12.05 | 4.83 | -1.88 | -18.02 | - |
| A (USD)-MD1 | -0.16 | -0.09 | -17.57 | -8.21 | | 12.00 | 4.81 | -1.81 | -18.04 | 1.24 |
| A (HKD)-MD | 0.17 | -0.31 | -16.79 | -8.41 | | 11.45 | 4.30 | -1.25 | -17.95 | 1.26 |
| A (HKD)-MD1 | 0.16 | -0.32 | -16.79 | -8.43 | | 11.44 | 4.30 | -1.26 | -17.94 | 1.26 |
| A (RMB Hgd)-MD1 | -0.54 | -2.76 | -18.16 | -7.05 | | 12.29 | 6.17 | 0.77 | -17.80 | -1.61 |

Where no past performance is shown there was insufficient data available in that year to provide performance.

Distribution information

(For MD Unit Class, aims to pay dividend on monthly basis. Dividend is not guaranteed; For MD-1 Unit Class, dividend rate is not guaranteed. Dividend may be paid out of capital. (Please refer to Note 1 and/or Note 2 of the "Important information"))

| | Intended frequency/Frequency | Record date | Amount/Unit | Annualized dividend (%) |
|-----------------|------------------------------|-------------|-------------|-------------------------|
| A (USD)-MD | Monthly | - | - | - |
| A (USD)-MD1 | Monthly | 29/02/24 | 0.0300 | 5.76% |
| A (HKD)-MD | Monthly | 29/02/24 | 0.1257 | 2.06% |
| A (HKD)-MD1 | Monthly | 29/02/24 | 0.3000 | 5.75% |
| A (RMB Hgd)-MD1 | Monthly | 29/02/24 | 0.2800 | 6.08% |

Annualized dividend (%) = (Amount/Unit X Frequency) ÷ Price on record date. Upon dividend distribution, the Fund's net asset value may fall on the ex-dividend date. For Frequency, Monthly = 12; Quarterly = 4. All distributions below USD 50 in value (or its equivalent) will be automatically applied in the purchase of further units of the same class of unit. Positive distribution yield does not imply a positive return.

| Currency exposure | % | Duration distribution | Average : | 4.79 | Maturity distribution | % |
|-------------------|-------|-----------------------|-----------|------|-----------------------|------|
| USD | 101.2 | 0-1 year | 23.6 | | 0-1 year | 21.3 |
| CNH | -1.2 | 1-3 years | 18.0 | | 1-3 years | 11.6 |
| EUR | 0.0 | 3-5 years | 12.8 | | 3-5 years | 8.5 |
| HKD | 0.0 | 5-7 years | 18.3 | | 5-10 years | 32.1 |
| | | 7-10 years | 12.1 | | 10-20 years | 9.5 |
| | | 10-15 years | 15.2 | | 20+ years | 17.1 |

| Geographical weightings | % | Sector weightings | % | Credit rating | average rating : | BBB+ |
|-------------------------|------|-------------------------|------|-------------------------|------------------|------|
| China | 27.6 | Government Related | 51.8 | AAA | | 2.9 |
| United Arab Emirates | 8.4 | Corporates Bond | 40.6 | AA | | 10.1 |
| Indonesia | 7.2 | Financial Institutions | 22.7 | A | | 33.7 |
| Saudi Arabia | 7.1 | Industrial | 15.8 | BBB | | 28.9 |
| India | 6.4 | Utility | 2.1 | BB | | 11.0 |
| Qatar | 4.7 | Treasuries | 2.9 | B | | 6.5 |
| United Kingdom | 4.6 | Cash & Cash Equivalents | 4.6 | Not Rated | | 2.3 |
| United States | 2.9 | | | Cash & Cash Equivalents | | 4.6 |
| Japan | 2.4 | | | | | |
| Others | 24.0 | | | | | |
| Cash & Cash Equivalents | 4.6 | | | | | |

Credit rating represents the highest rating of each security rated by Moody's, Standard & Poor's and Fitch. Unrated Fixed Income Instruments are not included in the average rating calculation.

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Corporate Action Notices



Prospectus and Financial reports



KFS of the Fund



Important Information

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 (景順投资管理有限公司). ©2024 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 ©2024 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Index performance is sourced from Invesco. Morningstar rating (if applicable) is given to the unit class as shown in the fund performance chart. Performance of the unit class(es) is calculated based on NAV to NAV, gross income re-invested in unit class currency.

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