



## Invesco Global Core Equity ADR SMA

### First Quarter

#### Portfolio Management Team

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**Supported by a Global Research Team**

Our mandate is to act as a conservative cornerstone within a diversified portfolio – delivering strong upside participation with stronger downside protection over a full market cycle.

#### Current Portfolio Positioning

Global equity markets began the year with a broad rally that marked the best first quarter for equities since 2013. The information technology sector posted strong double-digit gains, whereas energy stocks and oil prices declined amid an increase in inventories and concerns that OPEC may decline to extend production cuts. A shift in market trends occurred during the quarter as the US Dollar weakened, volatility was largely absent, and emerging market equities posted double-digit gains. These represented a reversal from the immediate post-election period, and the latter reflected an increasingly “risk-on” mindset. Investors continued to react to headlines out of Washington, but stronger economic data during the period also supported optimism. Consumer confidence and better Euro zone employment fueled positive sentiment, while investors generally shrugged off another 25 basis point rate increase by the US Federal Reserve in March. In this environment, the MSCI World Index gained 6.38% for the quarter, and 14.77% over 12 months. Against this strong backdrop, the Invesco Global Core portfolio slightly trailed the index during the quarter, but remains ahead over the one-year time frame.

Technology stocks led all other sectors, as semiconductor and internet-related companies outperformed. Health care, materials and utilities also provided strong relative performance. Geographically, Spain, Hong Kong and Australia stood out for their strong returns. Australia also benefited from a notable currency gain versus the US Dollar.

During the quarter, the portfolio benefited from strong stock selection in financials and materials. British holdings also contributed to performance meaningfully, as holdings in media, consumer discretionary and consumer staples aided relative returns. The portfolio's Taiwanese holding in the tech group also stood out positively, as did stock selection in Australia and Hong Kong.

Detractors to performance included weak stock selection in the US and Germany as well as the information technology and energy sectors.

While encouraged by the growing stability of the US and global economies, we remain cautious due to valuations. The uncertainty surrounding the new administration being able to successfully implement their agenda will add to market volatility, as will the ongoing exit of the UK from the European Union. We continue to seek out quality companies from a long-term perspective, and remain well-positioned for the current market environment.

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**Invesco Global Core Equity ADR SMA Wrap Composite**

Year	"Pure" Gross Return*	Net Return	MSCI World Index <sup>SM</sup> Net Return	Composite Dispersion	Composite 3-Year Annualized Standard Deviation	Benchmark 3-Year Annualized Standard Deviation	Number of Accounts	Composite Assets (\$ millions)	Total Firm Assets (\$ billions)	% Wrap Assets
2016	8.05%	4.87%	7.51%	0.17%	N/A	N/A	40	\$13	\$599	100%
2015	-0.62	-3.56	-0.87	0.18	N/A	N/A	49	13	575	100
2014**	0.56	-1.68	3.63	N/A	N/A	N/A	62	16	585	100

**Quarterly Returns**

Period	"Pure" Gross Return*	Net Return	MSCI World Index <sup>SM</sup> Net Return
1Q17	6.40%	5.62%	6.38%

**Annualized Compound Returns**

as of March 31, 2017

Period	"Pure" Gross Return*	Net Return	MSCI World Index <sup>SM</sup> Net Return
1 Year	13.91%	10.58%	14.77%
3 Year	4.74	1.65	5.52
Since Inception (4/1/14)	4.74	1.65	5.52

Returns less than one year are not annualized.

\* "Pure" gross of fees returns do not reflect the deduction of any expenses, including trading costs. "Pure" gross of fees returns are supplemental to net returns. See note 5.

\*\* Returns are for the period from April 1, 2014 (inception) through December 31, 2014.

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- Invesco Worldwide claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Invesco Worldwide has been independently verified for the periods January 1, 2003 through December 31, 2015. The legacy firms that constitute Invesco Worldwide have been verified since 2001 or earlier. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
- A complete list and description of Firm composites and performance results is available upon request. Additional information regarding policies for calculating and reporting returns is available upon request. All returns are expressed in U.S. dollars and are gross of nonreclaimable withholding tax, if applicable.
- The Invesco Global Core Equity ADR SMA Wrap Composite (previously named the Invesco Global Core Equity ADR Wrap Composite) includes all discretionary and fee-paying wrap accounts styled after the Invesco Global Core Equity ADR SMA Model Portfolio (previously named the Invesco Global Core Equity ADR Model Portfolio), which targets to add value by focusing primarily on stock selection in the global equity markets that is driven by identifying growth-value anomalies through sector-based research criteria. We are committed to a long-term investment horizon. Risk management efforts are employed at the stock and portfolio level to seek predictable and consistent returns relative to the benchmark over time. The composite is managed in comparison to, not duplication of, the benchmark. The composite was created in April 1, 2014.
- "Pure" gross of fees returns do not reflect the deduction of trading costs or any other expenses, and are supplemental to net returns. Performance results are presented both net and gross of total wrap fees. Net returns reflect the deduction of the maximum total wrap fee, which is currently 3.00% per annum or 0.25% monthly, from the "pure" gross return. A model fee is the highest wrap fee a client could pay (3.00% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.75%) is used. The total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The standard wrap fee schedule currently in effect is as follows: 3.00% on total assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.
- The MSCI World Index<sup>SM</sup> (NR) is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. The returns of the MSCI World Index<sup>SM</sup> NR are provided to represent the investment environment that existed during the time periods shown. The benchmark is used for comparative purposes only and generally reflects the risk or investment style of the product. The benchmark return is net of withholding taxes from a Luxembourg tax perspective. For comparison purposes the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.
- The dispersion of annual returns is measured by the equal-weighted standard deviation of account returns included in the composite for the full year. For partial years, dispersion is not presented as it is not considered meaningful.
- The three-year annualized ex-post standard deviation measures the variability of the monthly returns of the composite and the benchmark over the preceding 36 months. The standard deviation is not presented where there is less than 36 months of performance history.

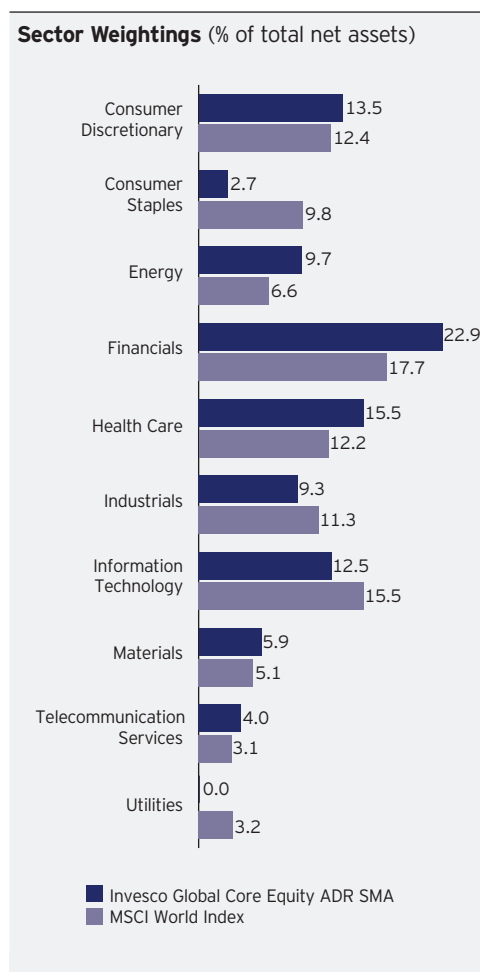
Past performance is not indicative of future results. As with any investment vehicle there is always the potential for gains as well as the possibility of losses.

## Supplemental Information to Invesco Global Core Equity ADR SMA Wrap Composite

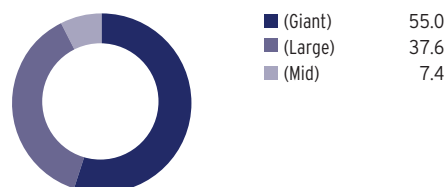
Portfolio Characteristics	Portfolio	MSCI World Index
Number of Holdings	57	1,650
Weighted Average Return on Equity	12.3%	15.9%
Weighted Harmonic Average 12-Month Forward P/E	14.3	16.6
Weighted Harmonic Average 12-Month Trailing P/E	16.7	18.8
Weighted Average Price/Book	3.2	4.0
Weighted Average Dividend Yield (Trailing 12 Months)	2.2%	2.4%
Weighted Average Market Cap (\$M)	\$83,274	\$115,236
Median Market Cap (\$M)	\$46,358	\$11,917
Annualized Turnover Ratio	51.5%	N/A
Emerging Markets Exposure	7.1%	0.12

Portfolio characteristics are subject to change.

Top Countries (% of total net assets)	Portfolio	MSCI World Index
1. United States	41.4	59.6
2. United Kingdom	11.1	6.6
3. Japan	7.3	8.6
4. Netherlands	6.9	1.0
5. France	5.8	3.4
6. Switzerland	3.4	3.6
7. Hong Kong	3.0	0.0
8. Australia	3.0	2.8
9. Taiwan	2.7	1.2
10. Canada	2.2	3.6



## Market Capitalization Breakdown (%)



Securities are grouped into giant, large, mid, small or micro cap depending on the company's region and the market capitalization breakpoints within that region, as determined by Morningstar.

## Asset Allocation

	3/31/17	12/31/16	9/30/16
Stocks	97.8%	98.3%	99.1%
Cash/Other	2.2	1.7	0.9

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**Sample Portfolio** (Supplemental Information to Invesco Global Core Equity ADR SMA Wrap Composite on Page 2)**Top 10 Holdings**

Ticker	Security	Sector	Country	% of Total		Other Sample Holdings (continued)			
				Net Assets					
1.	RDSA	Royal Dutch Shell PLC	Energy	United Kingdom	2.86	ING	ING Groep NV	Financials	Netherlands
2.	AAGIY	AIA Group Ltd.	Financials	Hong Kong	2.66	MMC	Marsh & McLennan Cos. Inc.	Financials	United States
3.	GOOG	Alphabet Inc.	Information Technology	United States	2.65	MCO	Moody's Corp.	Financials	United States
4.	FRC	First Republic Bank	Financials	United States	2.49	PGR	Progressive Corp.	Financials	United States
5.	VOD	Vodafone Group PLC	Telecommunication Services	United Kingdom	2.41	BIIB	Biogen Inc.	Health Care	United States
6.	RHHBY	Roche Holding Ltd.	Health Care	Switzerland	2.41	CELG	Celgene Corp.	Health Care	United States
7.	UBS	UBS Group AG	Financials	Switzerland	2.40	HCA	HCA Holdings Inc.	Health Care	United States
8.	CMCSA	Comcast Corp.	Consumer Discretionary	United States	2.37	MCK	McKesson Corp.	Health Care	United States
9.	SU	Suncor Energy Inc.	Energy	Canada	2.23	SHPG	Shire PLC	Health Care	Ireland
10.	AGN	Allergan PLC	Health Care	United States	2.22	TEVA	Teva Pharmaceutical Industries Ltd.	Health Care	Israel
						TMO	Thermo Fisher Scientific Inc.	Health Care	United States
	DLPH	Delphi Automotive PLC	Consumer Discretionary	United States		ABB	ABB Ltd.	Industrials	Switzerland
	LBTYA	Liberty Global PLC	Consumer Discretionary	United Kingdom		JCI	Johnson Controls International PLC	Industrials	United States
	LVMUY	LVMH Moet Hennessy Louis Vuitton SE	Consumer Discretionary	France		KMTUY	Komatsu Ltd.	Industrials	Japan
	POAHY	Porsche Automobil Holding SE	Consumer Discretionary	Germany		PHG	Koninklijke Philips NV	Industrials	Netherlands
	PCLN	Priceline Group Inc.	Consumer Discretionary	United States		NLSN	Nielsen Holdings PLC	Industrials	United States
	PUBGY	Publicis Groupe SA	Consumer Discretionary	France		QABSY	Qantas Airways Ltd.	Industrials	Australia
	TM	Toyota Motor Corp.	Consumer Discretionary	Japan		RANJY	Randstad Holding NV	Industrials	Netherlands
	DEO	Diageo PLC	Consumer Staples	United Kingdom		BIDU	Baidu Inc.	Information Technology	China
	IMBBY	Imperial Brands PLC	Consumer Staples	United Kingdom		CTSH	Cognizant Technology Solutions Corp.	Information Technology	United States
	MSLOY	Mitsui OSK Lines Ltd.	Default	Japan		HTHIY	Hitachi Ltd.	Information Technology	Japan
	CVX	Chevron Corp.	Energy	United States		IBM	International Business Machines Corp.	Information Technology	United States
	CXO	Concho Resources Inc.	Energy	United States		TSM	Taiwan Semiconductor Manufacturing Co. Ltd.	Information Technology	Taiwan
	PBR	Petroleo Brasileiro SA	Energy	Brazil		MT	Arcelormittal Ny Registered	Materials	Netherlands
	AXP	American Express Co.	Financials	United States		RDSMY	Koninklijke DSM NV	Materials	Netherlands
	ANZBY	Australia and New Zealand Banking Group Ltd.	Financials	Australia		RIO	Rio Tinto PLC	Materials	United Kingdom
	BDORY	Banco Do Brasil SA	Financials	Brazil		SHW	Sherwin-Williams Co.	Materials	United States
	BRK-B	Berkshire Hathaway Inc.	Financials	United States		GGP	General Growth Properties Inc.	Real Estate	United States
	DBSDY	DBS Group Holdings Ltd.	Financials	Singapore		KDDIY	KDDI Corp.	Telecommunication Services	Japan

This table illustrates the composition of a model portfolio as of the date listed and should not be considered as a recommendation to purchase or sell a particular security; additionally, there is no assurance that the securities purchased remain in the portfolio or that securities sold have not been repurchased. Past performance does not guarantee future results. Holdings may vary depending on program sponsor restrictions or specific client guidelines. Top 10 holdings and percentages are listed in the shaded area above and represent 27% of total holdings. For additional holdings disclosure, see the Global Industry Classification Standard disclosure on page 3. To obtain a list of all recommendations made by Invesco Advisers, Inc. in this investment style during the last year, please contact Invesco Advisers, Inc. at 800 349 0953. Investing in securities of foreign companies and governments involves considerations and potential risks not typically associated with investments in domestic corporations and obligations issued by the U.S. government. An investment could be subject to risks associated with changes in currency values; economic, political and social conditions; and the regulatory environment of the foreign country; as well as the difficulties of receiving current and accurate information.

Top Quarterly Contributors to/Detractors from Performance						As of March 31, 2017	
Top 5 Contributors		Average Weight (%)	Contributors (%)	Top 5 Detractors		Average Weight (%)	Contributors (%)
1.	Roche Holding Ltd.	2.33	0.35	1.	QUALCOMM Inc.	0.44	-0.20
2.	Moody's Corp.	1.93	0.34	2.	General Electric Co.	2.37	-0.17
3.	Sherwin-Williams Co.	2.17	0.34	3.	Teva Pharmaceutical Industries Ltd.	1.19	-0.14
4.	AIA Group Ltd.	2.63	0.32	4.	Suncor Energy Inc.	2.23	-0.13
5.	Taiwan Semiconductor MFG Co.	2.30	0.31	5.	Chevron Corp.	1.52	-0.13

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