



# Invesco Macro Allocation Strategy Fund

## Quarterly Performance Commentary

Nasdaq: A: GMSDX C: GMSEX Y: GMSHX

### Investment objective

The fund seeks to provide a positive absolute return over a complete economic and market cycle.

### Portfolio management

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### Portfolio information

Total Net Assets	\$33,402,351
Distribution Frequency	Annually

### Gross performance attribution

	Quarter	Since Oct. 1, 2012 (annualized)
Equities	-1.29%	2.26%
Fixed Income	1.18%	1.62%
Commodities	-0.95%	-0.59%
Strategic Exposure	-0.05%	1.04%
Cash	0.64%	0.69%
Total	-0.47%	5.02%

Returns are gross of fund expenses; net returns will be lower. Cash represents fund collateral used to support derivative positions.

### Target portfolio asset positions

Equities	0.24%
Fixed Income	0.63%
Commodities	-0.32%

The fund's strategic allocation targets an equal risk contribution (33%) from within and across each of the portfolio's three asset classes to the overall portfolio risk. The Target Portfolio Asset Positions shown, which are applied monthly, seeks to overweight, underweight or maintain those strategic positions depending on a select group of factors such as valuations, the current economic environment and investor positioning. Total portfolio asset weight greater than 100% is achieved through derivatives and other instruments that create leverage.

### Market overview

- The second quarter picked up where the first quarter ended with risk assets building on gains established early in 2019. A sharp selloff occurred in May, followed by only a partial recovery in June. A combination of trade tensions, signs of slowing global economic activity and geopolitical issues dampened investors' risk appetites, but expectations that central banks would soon return to accommodative monetary policies helped ease losses. By quarter end, developed market equities and government bonds posted gains. Economically sensitive commodity prices languished, while agriculture and precious metals prices rose.

### Performance

- The fund's Class A shares at net asset value (NAV) underperformed the benchmark during the second quarter. (Please see the investment results table on page 2 for fund and index performance.)
- The fund had a marginally negative return for the quarter. Exposure to equities and commodities detracted from results, while sovereign debt exposure added to fund performance.
- Exposure to government bonds was the largest contributor to the fund's return for the quarter. Yields fell across global bond markets as signs of a slowdown in global manufacturing and economic activity and below-target inflation raised expectations that central banks would soon cut policy rates. The May equity selloff also pressured yields as investors sought refuge. Australia led results among markets where the fund was invested.
- Within equities, exposures to emerging markets, US small-cap stocks, China's Hang Seng index and Japan's TOPIX index detracted, as their generally defensive posture, on average, proved untimely in a period when market sentiment changed quickly.
- The fund's commodities position detracted from results as two of the four complexes declined for the quarter. Major detractors included corn, followed by copper and wheat. The fund had average defensive positions in both grains, which proved detrimental as prices surged due to historic floods in key growing areas. Weaker economic activity negatively affected copper.

### Positioning and outlook

- The themes that will most likely drive market behavior going forward revolve around the never-ending story on trade talks, the state of the global economy and how governments and central banks will confront further economic weakness with interest rates at historical lows. Furthermore, while negotiations on the UK's departure from the European Union have been postponed, the situation has not yet been resolved, making this an additional source of uncertainty for the second half of 2019.
- As for the fund's positioning, the second half of the year starts with higher exposure to equities and reduced exposure to sovereign bonds, while we continue to maintain a defensive commodities posture. The main catalysts for these shifts remain the team's examination of price trends, accompanied by a positive shift in our volatility measures and lack of demand for perceived safe havens.

<b>Investment results</b>						
Average annual total returns (%) as of June 30, 2019						
	Class A Shares		Class C Shares		Class Y Shares	
	Inception:		Inception:		Inception:	Style-Specific
	08/28/13		08/28/13		09/26/12	Index
	Max		Max			Bloomberg
	Load		CDSC			Barclays 3-
Period	5.50%	NAV	1.00%	NAV	NAV	Month Treasury
						Bellwether Index
Inception	2.51	3.37	2.62	2.62	3.64	-
5 Years	1.78	2.94	2.16	2.16	3.19	0.89
3 Years	1.33	3.28	2.49	2.49	3.52	1.40
1 Year	-7.59	-2.25	-4.00	-3.03	-2.10	2.33
Quarter	-6.16	-0.75	-1.96	-0.97	-0.74	0.64

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](http://invesco.com/performance) for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary, and you may have a gain or a loss when you sell shares. Performance shown prior to the inception date of Class A shares is that of Class Y shares and includes the higher 12b-1 fees applicable to Class A shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Performance shown prior to the inception date of Class C shares is that of Class Y shares and includes the higher 12b-1 fees applicable to Class C shares. Class Y shares have no sales charge; therefore, performance is at NAV. On Aug. 28, 2013, Class H1 shares were renamed Class Y shares. Performance shown prior to Aug. 28, 2013, is that of Class H1 shares. Returns less than one year are cumulative; all others are annualized. Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information. Index returns do not reflect any fees, expenses, or sales charges.

Index source: FactSet Research Systems Inc.

**For more information you can visit us at [www.invesco.com/us](http://www.invesco.com/us)**

Class Y shares are available only to certain investors. See the prospectus for more information.

Under normal conditions, the strategy invests in derivatives and other financially-linked instruments whose performance is expected to correspond to US and international fixed income, equity and commodity markets. However, the performance of the asset classes cannot be guaranteed. The derivative investments and enhanced investment techniques (such as leverage) used by the portfolio are subject to greater risks than those associated with investing directly in securities or more traditional instruments.

The Bloomberg Barclays 3-Month Treasury Bellwether Index is unmanaged market considered representative of US treasury bills with maturities of less than three months. An investment cannot be made directly in an index.

<b>Expense ratios</b>	<b>% net</b>	<b>% total</b>
Class A Shares	1.47	2.23
Class C Shares	2.22	2.98
Class Y Shares	1.22	1.98

Per the current prospectus  
 Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least Feb. 29, 2020 and contractual management fee waivers in effect through at least June 30, 2020. See current prospectus for more information.

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## About risk

Commodities may subject an investor to greater volatility than traditional securities such as stocks and bonds and can fluctuate significantly based on weather, political, tax, and other regulatory and market developments.

An issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

Should the Fund's asset classes or the selected countries and investments become correlated in a way not anticipated by the Adviser, the risk allocation process may result in magnified risks and loss instead of balancing (reducing) the risk of loss.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market,

interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

The risks of investing in securities of foreign issuers, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

The fund is considered non-diversified and may experience greater volatility than a more diversified investment.

Short sales may cause an investor to repurchase a security at a higher price, causing a loss. As there is no limit on how much the price of the security can

increase, exposure to potential loss is unlimited.

By investing in the subsidiary, the fund is indirectly exposed to risks associated with the subsidiary's investments, including derivatives and commodities. Because the subsidiary is not registered under the Investment Company Act of 1940, the fund will not have the protections offered to investors in US registered investment companies.

Investments may appreciate or decrease significantly in value over short periods of time and cause share values to experience significant volatility over short periods of time.

The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risks associated with an investment in the fund.

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NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

***Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their advisors for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus).***

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.

Note: Not all products available at all firms. Advisors, please contact your home office.

The opinions expressed are those of the fund's portfolio management, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals. Holdings are subject to change and are not buy/sell recommendations.

All data provided by Invesco unless otherwise noted.