



Invesco Global Real Estate Income Fund

Quarterly Performance Commentary

Nasdaq: A: ASRAX C: ASRCX Y: ASRYX

Investment objective

The fund seeks current income and, secondarily, capital appreciation.

Portfolio management

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Portfolio information

Total Net Assets	\$742,988,431
Total Number of Holdings	171

Top holdings

% of total net assets

AvalonBay Communities	2.36
Morgan Stanley Bank of America Merrill Lynch Trust 2013-C9 (4.26) 15/05/2046	1.87
Morgan Stanley Bank of America Merrill Lynch Trust 2013-C12 (4.92) 15/10/2046	1.86
Boston Properties	1.71
Public Storage	1.54
Mid-America Apartment Communities	1.52
Natixis Commercial Mortgage Securities Trust 2018-285M (3.92) 15/11/2032	1.52
Crown Castle	1.51
Sempra Energy Pfd	1.49
Prologis	1.44

Top contributors

% of total net assets

1. Public Storage	1.54
2. Prologis	1.44
3. Mid-America Apartment Communities	1.52
4. Goodman Group	0.82
5. Summit Hotel Properties	0.87

Top detractors

% of total net assets

1. Simon Property Group	0.98
2. Deutsche Wohnen	0.66
3. Unibail-Rodamco-Westfield	1.12
4. Land Securities Group	0.76
5. Scentre Group	1.05

Market overview

- A combination of geopolitical uncertainty, moderating global economic growth and trade issues unsettled capital markets in the second quarter. As global GDP forecasts fell and inflationary pressures remained modest, key central banks around the globe appeared to shift toward an easing of monetary policy. Government bond yields across almost all key economies fell, while global equities rose on prospects for renewed stimulus.
- As a more defensive sector, listed real estate delivered muted performance following strong first quarter returns. Investor demand is allowing many REITs to issue new equity at favorable valuations and to conduct investment transactions. Aside from retail real estate, investor and occupier demand for assets remains positive in most major global cities and property types. Retail REITs remain structurally challenged and many have higher-than-ideal leverage. Across the rest of the listed real estate universe, leverage levels remain fairly conservative and appropriate for later cycle conditions of slowing growth.

Performance highlights

- Invesco Global Real Estate Income Fund Class A shares at net asset value (NAV) outperformed the fund's benchmark. (Please see the investment results table on page 2 for fund and index performance.)

Contributors to performance

- Relative to the all-equity index, the fund's fixed income holdings performed well. Commercial mortgage-backed securities, preferred securities and corporate bonds were key contributors to relative return as bond yields generally declined and monetary policy appeared increasingly accommodative.
- By country, the US was a key contributor to relative return due to significant US fixed income holdings. The UK was another top contributor due to security selection.
- **Public Storage**, the largest self-storage REIT in the US, added to relative return, with solid performance due to improved same-store revenue and net operating income (NOI) growth. Industrial REIT **Prologis** was another top contributor, after management raised its forecast for 2019 same-store NOI growth.

Detractors from performance

- Relative to the all-equity index, the portfolio's common stock portion detracted slightly. Japan and Singapore detracted modestly.
- **Simon Property Group** reported mixed first quarter results that were marginally below consensus expectations and detracted from relative return. Though the portfolio is underweight retail, the team believes **Simon** remains a best-in-class retail REIT.
- **Deutsche Wohnen**, an owner of German residential properties, was negatively affected by the proposed introduction of new rent regulations in Berlin.

Positioning and outlook

- The portfolio's equity portion maintains a bias toward companies with higher quality assets, operating in supply constrained real estate markets, with generally less leveraged balance sheets and most importantly, above-average earnings growth. Listed real estate companies are generally maintaining financial discipline and may soon benefit from the falling cost of credit if interest rates decline. The fund seeks to capture the value created by listed companies that are actively supplying new assets into markets with clear tenant demand. Within the broader investment context, the cash flow security, opportunities for fundamentally-driven earnings growth and tangible nature of real estate assets make REITs relatively attractive to diversified investors.
- The team believes the fund's ability to invest in both real estate equity and fixed income is particularly beneficial in today's volatile market environment and can add value throughout the real estate cycle.
- The fund's fixed income allocation has the potential to help reduce overall volatility compared to an all-equity real estate portfolio.

Investment results						
Average annual total returns (%) as of June 30, 2019						
Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 05/31/02	NAV	Inception: 03/09/07	NAV	Inception: 10/03/08	
	Max Load	NAV	Max CDSC	NAV	NAV	Custom Invesco Global Real Estate Income Index
Inception	7.90	8.25	3.36	3.36	7.51	-
10 Years	9.63	10.25	9.43	9.43	10.53	13.23
5 Years	3.25	4.42	3.64	3.64	4.68	4.85
3 Years	2.78	4.73	3.95	3.95	4.99	4.46
1 Year	1.62	7.48	5.68	6.68	7.76	7.68
Quarter	-4.32	1.22	-0.07	0.93	1.28	-0.07

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit 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. 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. Class Y shares have no sales charge; therefore, performance is at NAV. On March 12, 2007, the fund reorganized from a closed-end fund to an open-end fund. Class A share returns prior to that date are those of the closed-end fund's Common shares and include the fees applicable to Common shares. Class Y shares have no sales charge; therefore, performance is at NAV. Performance shown prior to the inception date of Class Y shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Fund performance was positively affected by a temporary 2% fee on redemptions that was in effect from March 12, 2007, to March 12, 2008. Without income from this temporary fee, returns would have been lower. 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 sources: Invesco, FactSet Research Systems Inc.

Asset mix (%)		Expense ratios	
		% net	% total
Dom Common Stock	26.80	Class A Shares	1.25
Intl Common Stock	31.55	Class C Shares	2.00
Dom Corp Bonds	3.15	Class Y Shares	1.00
Dom Convert Prfd	3.76	Per the current prospectus	
Dom Preferred Stock	13.04		
Intl Preferred Stock	0.50		
Mortgage Backed	19.04		
Cash	1.27		
Other	0.89		

Top countries	% of total net assets
United States	65.79
Japan	7.16
Hong Kong	4.65
Germany	4.22
Australia	3.62
United Kingdom	2.61
France	2.21
Canada	2.10
Singapore	1.83
Spain	1.43

REIT sector breakdown	% of total net assets
Diversified	27.00
Residential	16.30
Office	12.68
Retail	10.13
Infrastructure	9.62
Lodging/Resorts	8.84
Industrial	5.51
Health Care	4.74
Self Storage	3.30
Ind/Off/Mixed	0.61

For more information you can visit us at www.invesco.com/us

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

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

The Custom Invesco Global Real Estate Income Index is comprised of the FTSE NAREIT All Equity REIT Index through Aug. 31, 2011, and the FTSE EPRA/NAREIT Developed Index thereafter. An investment cannot be made directly in an index.

About risk

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.

Junk bonds have greater risk of default or price changes due to changes in the issuer's credit quality. Junk bond values fluctuate more than high quality bonds and can decline significantly over a short time.

Investments in real estate related instruments may be affected by economic, legal, or environmental factors that affect property values, rents or occupancies of real estate. Real estate companies, including REITs or similar structures, tend to be small- and mid-cap

companies, and their shares may be more volatile and less liquid.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

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.

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.