

Invesco Gold & Special Minerals Fund

Q1 2025

Key takeaways

1 The fund underperformed its benchmark for the first quarter

Invesco Gold & Special Minerals Fund Class A shares at net asset value (NAV) had a positive return but underperformed its benchmark for the quarter.

2 Gold and gold mining equities both climbed during the quarter

Gold mining equities (represented by the Philadelphia Gold & Silver Index) returned 29.68% in the first quarter. The price of gold ended the quarter at \$3,122.80, nearly 20% higher compared to year end 2024.

3 Gold price rose against a volatile backdrop

Gold hit new highs in the quarter, as geopolitical and tariff uncertainty appeared to boost demand for assets seen as safe havens. Other factors supporting gold include foreign central bank purchases and large fiscal deficits in the US and other developed nations.

Investment objective

The fund seeks capital appreciation

Fund facts

Fund AUM (\$M) 2,390.51

Portfolio managers

Shanquan Li, Jerry Sun, Scott Hixon, Tarun Gupta

Manager perspective and outlook

- Gold mining equities (represented by the Philadelphia Gold & Silver Index) returned 29.68% in the first quarter. Gold mining equities outperformed the S&P 500 Index and the MSCI All Country World Index during the quarter. Rising gold prices historically create a strong tailwind for mining equity stocks, and the asset class performed well as a diversifier amid a volatile macroeconomic backdrop. As we have seen in the past, gold equities outperformed the price of gold in an environment of rising gold prices.
- Gold is a hard asset that historically tends to do well in slower growth environments when equities are volatile, geopolitical turmoil is brewing, real interest rates are stable or falling, and/or investors fear weakening currencies or geopolitical strife. All of these elements were present to some degree during the first quarter of 2025.
- Certain factors that have historically supported the price of gold have remained in place, including profligate fiscal policies, the US deficit and national debt, and geopolitical turmoil. Other factors could push gold down, including a faster-than-expected end to wars in Ukraine and Israel, further US dollar strength, accelerating economic growth, rising equities and a reversal back toward tighter US monetary policy.



Top issuers

(% of total net assets)

	Fund	Index
Northern Star Resources Ltd	4.75	0.00
Agnico Eagle Mines Ltd	3.65	7.90
Barrick Gold Corp	3.58	7.68
Newmont Corp	3.54	7.90
Gold Fields Ltd	3.30	2.96
K92 Mining Inc	3.12	0.00
OceanaGold Corp	2.92	0.00
Freeport-McMoRan Inc	2.80	7.19
St Barbara Ltd	2.78	0.00
Anglogold Ashanti Plc	2.76	4.42

As of 03/31/25. Holdings are subject to change and are not buy/sell recommendations.

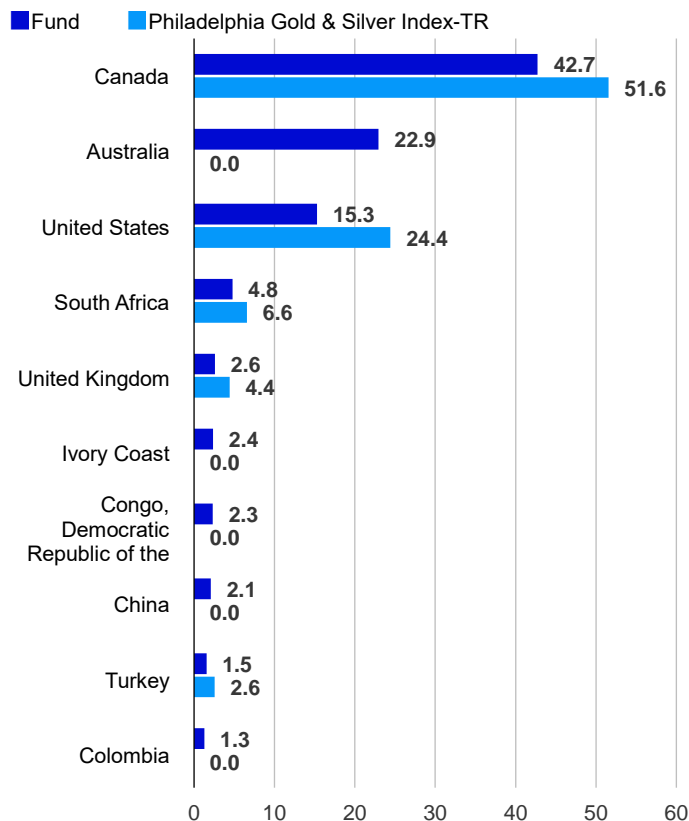
Portfolio positioning

During the quarter, we announced that portfolio manager Shanquan Li, who has managed the fund since 1997, will be retiring from Invesco on June 30, 2025. Invesco has taken steps to further bolster the fund's investment team and thoughtfully transition management responsibilities over the next several months until Shanquan's retirement. Effective February 28, 2025, Tarun Gupta, Scott Hixon and Jerry Sun were added as fund portfolio managers alongside Shanquan. These additional team members in our view provide deep expertise in commodities markets and security selection. They will partner closely with Shanquan in the coming months in order to help ensure a smooth transition and continuity of the investment experience for fund shareholders.

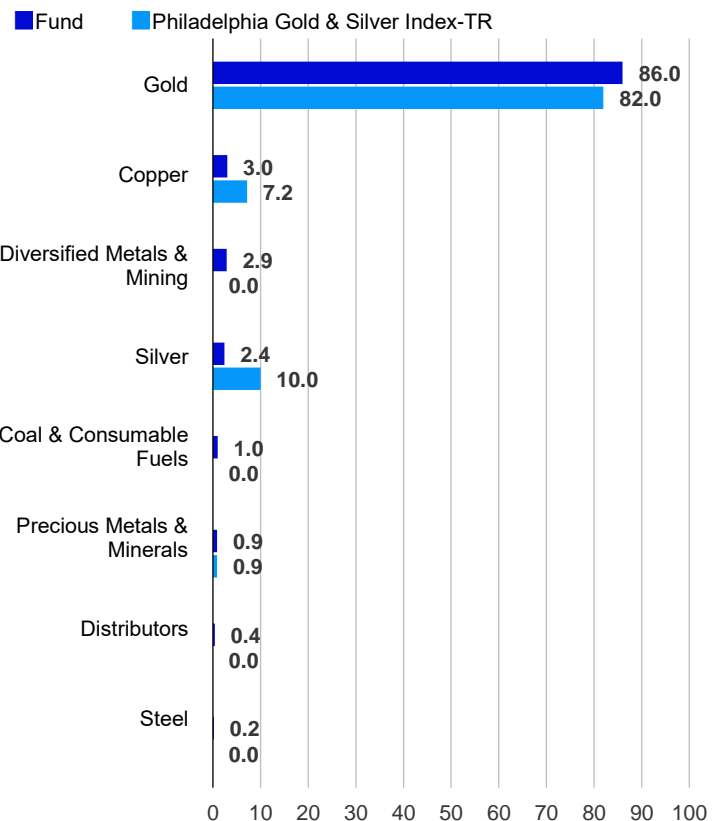
We maintain a well-diversified portfolio across precious and other metals, geographic regions and stages of company development. We maintain exposure to a number of mining companies with what we consider attractive growth prospects, high quality assets, sound balance sheets, strong cash flows and talented management teams. The fund holds a number of earlier stage or pre-production companies with strong growth prospects that we believe could become core positions and meaningful contributors for the fund. These, however, do not dominate the portfolio. We also hold positions in a number of companies that produce future-facing metals, including copper and lithium, both of which we believe should be important in the process of deepening automation and digitization. The majority of the fund consists of well-capitalized intermediate and senior precious metals producers with what we consider attractive growth, cash flow and risk/reward profiles.

We note that gold has performed well relative to other risk assets during the five most recent US recessions dating back to 1981. We believe gold could eventually trade higher from current levels and mining equities could perform well from here, but we do not expect the trajectory to be smooth. Accordingly, we favor a longer term strategic allocation to the fund that allows investors to look beyond high day-to-day volatility of physical metals and gold mining equities.

Top countries (% of total net assets)



Top industries (% of total net assets)



Top contributors (%)

Issuer	Return	Contrib. to return
Gold Fields Limited	69.91	1.75
AngloGold Ashanti plc	64.28	1.36
Agnico Eagle Mines Limited	39.19	1.31
Evolution Mining Limited	52.61	1.25
G Mining Ventures Corporation	73.67	1.22

Top detractors (%)

Issuer	Return	Contrib. to return
Ivanhoe Mines Ltd.	-28.42	-1.10
Cameco Corporation	-19.91	-0.29
Ivanhoe Electric Inc.	-15.10	-0.19
Capstone Copper Corp.	-7.83	-0.11
Piedmont Lithium Inc.	-27.92	-0.05

Performance highlights

Invesco Gold & Special Minerals Fund Class A shares at net asset value returned 27.23% in the first quarter, underperforming the benchmark return of 29.68%.

Contributors to performance

Gold Fields is a South African company that rallied during the quarter after its bid to take full control of an Australian gold mine was rejected by the owner. The market appeared to have concerns about the price Gold Fields was planning to pay, so the deal's failure was a positive catalyst.

AngloGold Ashanti is one of the world's largest gold miners. Its relatively high operating leverage means it historically tends to rise more than peers in an environment of strongly rising gold prices, which was the case this quarter.

Agnico Eagle Mines is based in Canada and is the world's third-largest gold producer. The company reported strong operating results during the quarter, and shares rallied in response.

Evolution Mining is an Australian mining company that reported robust operating results during the quarter, maintained production guidance and delivered a dividend increase. The market rewarded the company with a rising share price.

G Mining Ventures, a junior gold miner based in Canada, reported good results during the quarter. Importantly for investors, production at its major mining project in Brazil has been ramping up well.

Ivanhoe Mines is a diversified mining company that has been developing a large copper deposit in the Democratic Republic of Congo. Shares fell after the company lowered production guidance due to difficulties getting power to this copper operation.

Cameco is the world's second largest uranium miner, responsible for 18% of global supply last year. This is a rare artificial intelligence (AI)-exposed stock in our investment universe and shares tumbled following news of China's DeepSeek, a cheaper, less power-intensive large language model. The news led to lower forecasts for AI electricity needs and, in turn, downward revisions to future uranium demand to fuel nuclear power generators. The stock was also affected by announced tariffs on Canadian exports to the US, a large market for Cameco.

Ivanhoe Electric is a small mining company producing metals used for power generation and transmission. Shares fell against a volatile backdrop where gold miners were favored over miners more exposed to base metals like copper, such as Ivanhoe Electric.

Capstone Copper is based in Canada and one of the world's largest copper miners. Shares fell due to concerns about slowing economic growth caused by geopolitical and tariff issues. Demand for copper is cyclical and market expectations for the company historically tend to fall during growth scares such as those in the first quarter.

Piedmont Lithium is a small lithium miner based in the US. The stock came under pressure from a decline in lithium prices during the quarter.

Detractors from performance

Standardized performance (%) as of March 31, 2025

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 07/19/83	NAV	27.23	27.23	40.35	4.03	17.11	11.73	6.57
	Max. Load 5.5%	20.25	20.25	32.61	2.09	15.79	11.09	6.42
Class R6 shares inception: 10/26/12	NAV	27.35	27.35	40.91	4.45	17.57	12.18	1.43
Class Y shares inception: 09/07/10	NAV	27.30	27.30	40.67	4.28	17.40	11.99	0.51
Philadelphia Gold & Silver Index-TR		29.67	29.67	41.56	5.71	19.52	11.81	-
Total return ranking vs. Morningstar Equity Precious Metals category (Class A shares at NAV)		-	-	82% (55 of 66)	68% (48 of 64)	23% (18 of 64)	13% (7 of 58)	-

Expense ratios per the current prospectus: Class A: Net: 1.10%, Total: 1.10%; Class R6: Net: 0.69%, Total: 0.69%; Class Y: Net: 0.86%, Total: 0.86%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com](https://www.invesco.com) 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 so that you may have a gain or a loss when you sell shares. Returns less than one year are cumulative; all others are annualized. As the result of a reorganization on May 24, 2019, the returns of the fund for periods on or prior to May 24, 2019 reflect performance of the Oppenheimer predecessor fund. Share class returns will differ from the predecessor fund due to a change in expenses and sales charges. Index sources: Invesco, RIMES Technologies Corp. Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower. Performance shown at NAV does not include the applicable front-end sales charge, which would have reduced the performance.

Class Y and R6 shares have no sales charge; therefore performance is at NAV. Class Y shares are available only to certain investors. Class R6 shares are closed to most investors. Please see the prospectus for more details.

Performance highlights (cont'd)

Calendar year total returns (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Class A shares at NAV	-23.14	48.74	17.19	-13.15	46.37	36.11	-2.87	-16.86	6.36	13.06
Class R6 shares at NAV	-22.79	49.39	17.62	-12.76	46.97	36.64	-2.46	-16.55	6.82	13.47
Class Y shares at NAV	-22.95	49.18	17.37	-12.90	46.67	36.39	-2.62	-16.66	6.66	13.30
Philadelphia Gold & Silver Index-TR	-33.46	74.92	8.91	-16.41	52.57	36.03	-6.46	-6.86	6.02	10.82

Portfolio characteristics*

	Fund	Index
No. of holdings	106	30
Top 10 issuers (% of AUM)	33.18	58.99
Wtd. avg. mkt. cap (\$M)	12,403	23,365
Price/earnings	21.40	26.20
Price to book	2.32	2.03
Est. 3 – 5 year EPS growth (%)	11.24	7.34
ROE (%)	10.33	8.88
Long-term debt to capital (%)	17.45	14.99
Operating margin (%)	28.99	33.18

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-0.80	0.00
Beta	0.92	1.00
Sharpe ratio	0.42	0.46
Information ratio	-0.27	0.00
Standard dev. (%)	34.39	36.35
Tracking error (%)	8.76	0.00
Up capture (%)	83.94	100.00
Down capture (%)	98.88	100.00
Max. drawdown (%)	41.10	38.75

Quarterly performance attribution

Industry performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Apparel Accessories & Luxury Goods	0.03	0.00	0.03
Coal & Consumable Fuels	-0.88	0.00	-0.88
Copper	0.86	-0.17	0.69
Distributors	-0.12	0.00	-0.12
Diversified Metals & Mining	-3.39	0.00	-3.39
Gold	0.05	1.77	1.82
Precious Metals & Minerals	0.01	-0.03	-0.02
Silver	0.72	0.03	0.75
Steel	-0.01	0.00	-0.01
Other	0.00	0.00	0.00
Other	0.00	0.00	0.00
Cash	-0.68	0.00	-0.68
Total	-1.65	-0.16	-1.81

Holdings are subject to change and are not buy/sell recommendations. Attribution methodology notes: The attribution provides analysis of the effects of several portfolio management decisions, including allocation and security selection. Securities classified as "Other" may include non-equity securities, derivatives, and securities for which a sector classification may not be appropriate. The portfolio is actively managed and portfolio holdings are subject to change. The percentage weights represented for the portfolio are dollar weighted based on market value. **Market allocation effect** shows the excess contribution due to sector/market allocation. A positive allocation effect implies that the choice of sector weights in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Selection effect** shows the excess contribution due to security selection. A positive selection effect implies that the choice of stocks in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Total effect** is the difference in contribution between the benchmark and portfolio. **Past performance does not guarantee future results.**

Unless otherwise specified, all information is as of 03/31/25. Unless stated otherwise, Index refers to Philadelphia Gold & Silver Index-TR.

The Philadelphia Gold & Silver Index is composed of gold and silver mining companies traded on the Philadelphia Stock Exchange.

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.

An investment in exchange-traded funds (ETFs) may trade at a discount to net asset value, fail to develop an active trading market, halt trading on the listing exchange, fail to track the referenced index, or hold troubled securities. ETFs may involve duplication of management fees and certain other expenses. Certain of the ETFs the fund invests in are leveraged, which can magnify any losses on those investments.

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. Developing markets may especially be volatile.

The performance of an investment concentrated in issuers of a certain region or country is expected to be closely tied to conditions within that region and to be more volatile than more geographically diversified investments.

Fluctuations in the price of gold and precious metals may affect the profitability of companies in the gold and precious metals sector.

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

The Fund's value may be affected by changes in the stock markets. Stock markets may experience significant short-term volatility and may fall or rise sharply at times. Adverse events in any part of the equity or fixed-income markets may have unexpected negative effects on other market segments. Different stock markets may behave differently from each other and U.S. stock markets may move in the opposite direction from one or more foreign stock markets.

Investments focused in a particular industry or sector are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

The investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

Because the Subsidiary is not registered under the Investment Company Act of 1940, as amended (1940 Act), the Fund, as the sole investor in the Subsidiary, will not have the protections offered to investors in U.S. registered investment companies.

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.

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.

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. Financial professionals, please contact your home office.

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.

* **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio indicates better risk-adjusted performance. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Tracking Error** is defined as the expected standard deviation of a portfolio's excess return over the benchmark index return. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Maximum Drawdown** is the maximum observed loss from a high to a low of a portfolio, before a new high is attained. Maximum drawdown is an indicator of downside risk over a specified time period. **Weighted Average Market Cap** is a measure of the average size of company held in a portfolio. The percentage of the portfolio invested each company, or its weight, is multiplied by its size (market capitalization). An average of the weighted size of all companies held is then calculated. **Price/earnings** measures the price per share relative to the earnings per share of the company while excluding extraordinary items. **Price to book** measures the firm's capitalization (market price) to book value. **Est. 3-5 year EPS (Earning per share) growth** measures the earning per share growth from FY3 to FY5. **ROE** is the Return on Equity that measures the fund's annual return relative to total shareholders' equity. This ratio evaluates how quickly investments can be turned into profits. **Long-term debt to capital** measures a fund's financial leverage by calculating the proportion of long-term debt used to finance its assets relative to the amount of equity used for the same purpose. A higher ratio indicates higher leverage. **Operating margin** measures the profit a fund makes for every dollar of sales after paying the variable expenses. **Contribution to Return** measures the performance impact from portfolio holdings over a defined time period. It takes into account both weight and performance of the portfolio holdings. Contribution to Return is calculated at security level.

Morningstar

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Before investing, consider the Fund's investment objectives, risks, charges and expenses. Visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus) for a prospectus/summary prospectus containing this information. Read it carefully before investing.