



Invesco Small Cap Growth Fund

Quarterly Performance Commentary

Limited Offering

Nasdaq: A: GTSAX C: GTSDX Investor: GTSIX Y: GTSYX

Investment objective

The fund seeks long-term growth of capital.

Portfolio management

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Portfolio information

Total Net Assets \$2,925,973,410

Total Number of Holdings 120

Top holdings

% of total net assets

Repligen 1.75

Q2 Holdings 1.60

Bio-Techne 1.38

HealthEquity 1.32

TransDigm 1.32

Aspen Technology 1.25

Chemed 1.25

CoreSite Realty 1.25

Sarepta Therapeutics 1.22

Realpage 1.19

Top contributors

% of total net assets

1. Repligen 1.75

2. Aspen Technology 1.25

3. Catalent 1.16

4. MarketAxess 1.01

5. Fair Isaac 1.18

Top detractors

% of total net assets

1. 2U 0.44

2. Aerie Pharmaceuticals 0.42

3. Intersect ENT 0.63

4. SailPoint Technologies 0.59

5. Agios Pharmaceuticals 0.79

Market overview

- Though the S&P 500 Index posted a modest gain of 4.30% for the second quarter, the US stock market experienced increased volatility.
- Bond yields and oil prices fell in May as investors weighed the impact of the ongoing US/China trade war and potential for new tariffs on Mexican imports.
- Additionally, data showed slowing in the US and global economies.
- The Federal Reserve left interest rates unchanged at its June Federal Open Market Committee meeting, but signaled a less restrictive stance, leading some investors to anticipate a future rate cut.

Performance highlights

- The fund's Class A shares at net asset value (NAV) posted a gain for the quarter and outperformed the Russell 2000 Growth Index. (Please see the investment results table on page 2 for fund and index performance.)
- Relative to the index, stock selection in the health care, financials, communication services, consumer staples, real estate, materials and energy sectors were all key contributors.
- Conversely, stock selection and an underweight in the industrials sector was the leading detractor from relative return. Stock selection in the consumer discretionary and information technology (IT) sectors also detracted.

Contributors to performance

- **Repligen**, a Massachusetts-based biotechnology company, experienced stronger-than-expected broad-based organic growth. **Repligen** also benefited from a favorable reaction to the announced acquisition of C Technologies (not a fund holding), which will expand its direct portfolio of products and add analytical systems to measure protein concentration in the manufacturing process.
- **MarketAxess**, a financial technology company, rallied on strong organic growth of electronic trading volumes, which led to positive earnings estimate revisions across all of its portfolios.
- **Catalent** benefited from a favorable response to the announcement of a deal to acquire Paragon (not a fund holding), which will likely accelerate **Catalent's** long-term growth and margin profile by diversifying its offerings away from lower growth markets into higher growth areas like outsourced manufacturing markets for gene/cell therapy.

Detractors from performance

- Health care equipment company **Intersect ENT** struggled during the quarter as the launch of its new product, Sinuva, stalled due to continued reimbursement issues. These issues also negatively affected the company's core product portfolio. The CEO also resigned unexpectedly, which magnified the negative impact on the stock.
- **Aerie Pharmaceuticals** launched Rocklatan and Rhopressa, which are designed to lower eye pressure in patients with open-angle glaucoma and ocular hypertension, but the launch fell short of expectations. We view the dynamics driving the weaker-than-expected launch as temporary.
- **Agios Pharmaceuticals** faced weaker-than-expected first quarter revisions for its commercial franchise of IDH inhibitors for Acute Myeloid Leukemia. Additionally, the company suffered from fears that recent competitor data has led to a lower-than-expected share of new patients for **Agio**.

Positioning and outlook

- All positioning changes are based on our bottom-up stock selection process. Portfolio construction acts as a risk control and ensures alignment with small-cap market sector exposure within modest over- and underweights. Our long-term investment horizon leads to relatively low turnover.
- Our view is that the growth environment is slowing as the benefits of US tax stimulus and deregulations are being offset by higher interest rates, rising labor costs and trade pressures.
- In such an environment, true growth will likely remain scarce, and we believe the market will favor companies that can produce sustainable, above-average earnings and cash flow growth in spite of the economic cycle.

Investment results

Average annual total returns (%) as of June 30, 2019

Period	Class A Shares		Class C Shares		Investor Class Shares		Class Y Shares		Style-Specific Index Russell 2000 Growth Index
	Inception: 10/18/95		Inception: 05/03/99		Inception: 04/07/06		Inception: 10/03/08		
	Max Load	NAV	Max CDSC	NAV	NAV	NAV	NAV	NAV	
Inception	10.40	10.67	8.64	8.64	9.01	13.01			-
10 Years	14.12	14.77	13.91	13.91	14.77	15.05			14.41
5 Years	7.71	8.94	8.12	8.12	8.94	9.21			8.63
3 Years	12.24	14.37	13.51	13.51	14.38	14.65			14.69
1 Year	-5.59	-0.09	-1.73	-0.87	-0.08	0.17			-0.49
Quarter	-2.05	3.64	2.47	3.47	3.63	3.70			2.75

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. The Investor Class shares have no sales charge; therefore, performance is at NAV. Class Y shares have no sales charge; therefore, performance is at NAV. 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.

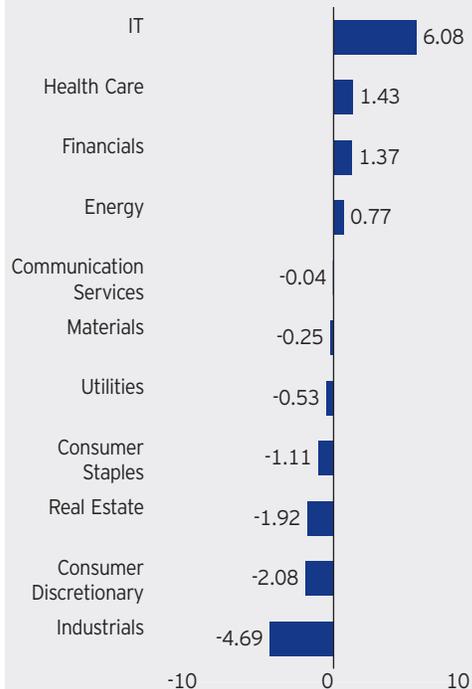
Index source: FactSet Research Systems Inc.

Asset mix (%)	
Dom Common Stock	97.21
Intl Common Stock	1.58
Cash	1.05
Other	0.16

Expense ratios	% net	% total
Class A Shares	1.18	1.18
Class C Shares	1.93	1.93
Investor Class Shares	1.18	1.18
Class Y Shares	0.93	0.93

Per the current prospectus

The fund's positioning versus the Russell 2000 Growth Index (% underweight/overweight)



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

The fund has limited public sales of its shares to certain investors. For more information on who may continue to invest in the fund, please see the prospectus.

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

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 S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

The Russell 2000® Growth Index is an unmanaged index considered representative of small-cap growth stocks. The Russell 2000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index.

About risk

In general, stock values fluctuate, sometimes widely, in response to activities specific to the company as well as general market, economic and political conditions.

The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political

and economic instability, and foreign taxation issues.

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

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.