



# Invesco Multi-Asset Inflation Fund

## Quarterly Performance Commentary

Nasdaq: A: MIZAX C: MIZCX Y: MIZYX

### Investment objective

The fund's investment objective is total return, comprised of current income and capital appreciation.

### Portfolio management

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### Portfolio information

Total Net Assets	\$1,308,235
Total Number of Holdings	17

### Top contributors

	% of total net assets
1. Invesco DB Oil Fund	7.90
2. Invesco Energy Fund	5.54
3. Invesco Global Infrastructure Fund	6.20
4. Energy Select Sector SPDR Fund	5.52
5. iShares U.S. Consumer Goods ETF	6.88

### Market overview

- Following a sharp selloff late last year, global equities rebounded in the first quarter of 2019, fueled by accommodative central bank policy and potential for a US/China trade deal. Central bank policy provided a supportive environment for equities and fixed income, even as global economic growth appeared to be slowing. In January, China's central bank initiated a stimulus program to counteract its slowing economy, while the European Central Bank and US Federal Reserve later indicated they would not raise interest rates for the remainder of 2019. Lack of consensus on a deal for the UK's withdrawal from the European Union prompted additional concerns for UK and Eurozone economies, though equity markets across the region posted gains. US and Chinese equities also delivered robust gains. Both emerging and developed markets had positive returns for the quarter. Among alternative investments, global real estate investment trusts (REITs) were strong performers, as were most commodities. Against this backdrop, the MSCI AC World Index returned 12.18%. All in all, more accommodative policy stances by central banks proved positive for risk-asset returns in the first quarter and should also spur economic growth.
- **Fixed Income**  
Government bond yields fell during the quarter, with the yield on the 10-Year US Treasury dropping to 2.4%. Global investment grade corporate bonds posted positive returns, but were outpaced by global high-yield bonds. Long duration bonds outperformed shorter duration bonds during the quarter.

### Performance highlights

- The fund's Class A shares at net asset value (NAV) posted a positive return and outperformed the Bloomberg Barclays 1-3 month Treasury Bill Index. (Please see the investment results table on page 2 for fund and index performance.)
- The fund's performance during the quarter is attributable to results from the underlying funds and strategies. Invesco Multi-Asset Inflation Fund invests in underlying funds that its investment team believes will provide exposure to asset classes that might perform well in inflationary environments.

### Contributors to performance

- During the quarter, all underlying holdings produced positive returns and contributed to absolute fund performance. The fund's energy holdings performed particularly well as crude oil prices rebounded from the fourth quarter selloff. **Invesco DB Oil Fund**, **Energy Select Sector SPDR Fund** and **Invesco Energy Fund** posted double-digit gains for the quarter and added to fund performance.
- The fund's real estate holdings also contributed to performance, benefiting from the performance of REITs as investors sought defensive income characteristics in light of prospects for slower corporate earnings growth in many of the more cyclical areas of the economy. **Invesco Global Infrastructure Fund** and **Invesco Global Real Estate Income Fund** (6.37% of total net assets) produced solid gains, boosting fund performance.

### Detractors from performance

- There were no detractors from fund performance during the quarter.

### Positioning and outlook

- US inflation, as measured by the Consumer Price Index (CPI) remained low for much of the quarter. Core CPI, which excludes the impact of food and energy, increased by 0.1% in March. The rolling 12-month core CPI showed an increase of 2.0%. Our long-term forecasts for growth and inflation did not result in any significant changes to the fund's positioning and allocations during the quarter.
- Global growth appears likely to continue its modest deceleration in the shorter term. In this environment, we expect continued volatility as the geopolitical situation remains unpredictable, but anticipate an upward bias for risk assets due to central banks' accommodative monetary policies. We expect stock market leadership to shift among various factors and regions throughout the year and anticipate that market sentiment will oscillate between embracing risk and avoiding risk. This is an environment where broad diversification is highly recommended.

Investment results						
Average annual total returns (%) as of March 31, 2019						
Period	Class A Shares		Class C Shares		Class Y Shares	Broad-Based Index
	Inception: 10/14/14	NAV	Inception: 10/14/14	NAV	Inception: 10/14/14	
	Max Load	NAV	Max CDSC	NAV	NAV	Bloomberg Barclays 1-3 Month Treasury Bill Index
Inception	-1.25	0.00	-0.75	-0.75	0.29	-
3 Years	2.67	4.64	3.82	3.82	4.90	1.14
1 Year	-3.75	1.85	0.08	1.08	2.17	2.09
Quarter	3.31	9.30	7.98	8.98	9.40	0.59

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. 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. 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 allocation (%)	
Equity	33.86
Fixed Income	36.55
Alternative	29.00
Cash	0.59

Current allocations may differ

Expense ratios	% net	% total
Class A Shares	1.02	19.87
Class C Shares	1.77	20.62
Class Y Shares	0.77	19.62

Per the current prospectus  
 Net and Total = The expense ratio includes acquired fund fees and expenses of 0.70% for the underlying funds. Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least April 30, 2019. See current prospectus for more information.

Fund holdings	% of total net assets
Invesco Short Duration Inflation Protected Fund	14.77
Invesco Balanced-Risk Commodity Strategy Fund	8.83
Invesco DB Oil Fund	7.90
iShares U.S. Health Care ETF	7.76
iShares U.S. Consumer Goods	6.88
Invesco Income Fund	6.49
Invesco Global Real Estate Income Fund	6.37
Invesco Global Infrastructure Fund	6.20
Invesco Gold & Precious Metals Fund	5.91
Invesco Energy Fund	5.54
Energy Select Sector SPDR Fund	5.52
Invesco Floating Rate Fund	4.91
Invesco High Yield Fund	4.27
Invesco Quality Income Fund	2.16
Invesco Fundamental Investment Grade Corporate Bond ETF	1.98
Invesco International Growth Fund	1.96
Invesco Emerging Markets Flexible Bond Fund	1.96

Total may not equal 100% due to rounding.

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.

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

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 Bloomberg Barclays 1-3 Month Treasury Bill Index includes all publicly issued zero-coupon US treasury bills with a remaining maturity of less than three months and more than one month, are rated investment grade, and have \$250 million or more of outstanding face value. An investment cannot be made directly in an index.

The MSCI All Country (AC) World ex-US Index is an index considered representative of developed and emerging market stock markets, excluding the US. The index is computed using the net return, which withholds applicable taxes for non-resident investors. An investment cannot be made directly in an index.

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## About risk

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 fund is subject to the risks of the underlying funds. Market fluctuations may change the target weightings in the underlying funds and certain factors may cause the fund to withdraw its investments therein at a disadvantageous time.

The risk that the value of an inflation-indexed security (such as TIPS) tends to decrease when real interest rates increase and increase when real interest rates decrease. Interest payments on inflation-indexed securities will vary along with changes in the Consumer Price Index.

Certain underlying funds invest in asset classes which may be subject to greater volatility, such as floating rate bank loans and investments related to commodities, gold, real estate, infrastructure, and currencies.

Fund performance depends, in part, on how its assets are allocated among inflation-sensitive asset

classes and, within each asset class, among underlying funds and other investments. The Adviser's allocation of fund assets may therefore not produce the desired results and could cause the fund to perform poorly. The fund may underperform the rate of inflation during a sudden rapid rise in inflation, as the strategy relies on historical trends and may not react quickly enough to capture a spike in interest rates.

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.