



# Invesco Growth and Income Fund

## Quarterly Performance Commentary

Nasdaq: A: ACGIX C: ACGKX Y: ACGMX

### Investment objective

The fund seeks income and long-term growth of capital.

### Portfolio management

Thomas B. Bastian, Brian Jurkash, Matthew Titus, Sergio Marcheli

### Portfolio information

|                          |                 |
|--------------------------|-----------------|
| Total Net Assets         | \$7,169,849,770 |
| Total Number of Holdings | 61              |

### Top holdings

% of total net assets

|                              |      |
|------------------------------|------|
| Citi                         | 4.58 |
| Bank of America              | 3.87 |
| Johnson & Johnson            | 3.15 |
| JPMorgan Chase               | 2.72 |
| American International Group | 2.52 |
| General Motors               | 2.46 |
| Cisco Systems                | 2.46 |
| Philip Morris                | 2.46 |
| Intel                        | 2.37 |
| Oracle                       | 2.35 |

### Top contributors

% of total net assets

|                                |      |
|--------------------------------|------|
| 1. Citigroup                   | 4.58 |
| 2. Philip Morris International | 2.46 |
| 3. Devon Energy                | 1.82 |
| 4. Bank of America             | 3.87 |
| 5. Cisco Systems               | 2.46 |

### Top detractors

% of total net assets

|                         |      |
|-------------------------|------|
| 1. CVS Health           | 1.37 |
| 2. Bristol-Myers Squibb | 1.25 |
| 3. QUALCOMM             | 0.84 |
| 4. Mosaic               | 0.72 |
| 5. DowDuPont            | 1.41 |

### Market overview

- Following a sharp selloff late last year, equity markets rebounded in the first quarter of 2019, fueled by optimism about a potential US/China trade deal and the Federal Reserve's indication that there would be no interest rate hikes in 2019, a surprising shift in monetary policy. The Fed's more accommodative stance provided a supportive environment for equities and fixed income, even as US economic data were mixed and overseas growth appeared to be slowing. Against this backdrop, the S&P 500 Index posted its best first quarter since 1998, returning 13.65%. Growth stocks outperformed value for the quarter, while mid- and small-caps generally outperformed large-cap stocks.

### Performance highlights

- The fund's Class A shares at net asset value (NAV) outperformed the Russell 1000 Value Index in the first quarter. (Please see the investment results table on page 2 for fund and index performance.) All sectors within the Russell 1000 Value Index posted gains, with industrials, information technology (IT), energy and real estate leading the way. Health care and financials were the weakest performers during the quarter.

### Contributors to performance

- Outperformance was driven largely by stock selection in the financials sector. Financial stocks posted gains after trading at recent lows during the fourth quarter. Within the banking industry, **Citigroup** and **Bank of America** were key contributors. **Citigroup** reported better-than-expected profits due to larger cost savings and lower provisions for loan losses.

- Stock selection in consumer staples also contributed to relative return, due in part to **Philip Morris International**. The company reported better-than-expected earnings during the quarter and provided solid guidance for the full year based on its growing business in reduced risk products (RRPs), such as heated tobacco products and tobacco-free products.

- Stock selection in communication services and an overweight in the energy sector also aided relative performance. Oil prices recovered from their fourth quarter lows, ending the first quarter above \$60 per barrel. Energy stocks also rebounded, and **Devon Energy** was a significant contributor.

### Detractors from performance

- Security selection in the IT and materials sectors detracted from relative return. Within technology, **QUALCOMM** was a significant detractor. The stock declined early in the quarter amid concerns about weakening smartphone sales and reduced Chinese demand. The stock later rebounded after an upbeat earnings report, but lagged the overall sector. Within materials, **Mosaic** was a significant detractor. The company announced plans to reduce phosphate production, which should benefit the company long term, but could negatively affect short-term earnings.

- Lack of exposure to real estate also detracted from the portfolio's relative return, as the sector was one of the index's strongest segments during the quarter.

- The portfolio's cash position, while less than 4% on average, also detracted given the rising market environment.

### Positioning and outlook

- At quarter end, the fund's overall positioning was largely unchanged. The fund's largest overweights compared to the Russell 1000 Value Index were in financials and energy, and the largest underweights were in utilities, real estate and communication services.

- While equity markets posted strong gains for the quarter, lack of clarity on US trade policy and weakening economic data could potentially dampen returns going forward.

- As always, we seek to invest in companies with attractive valuations and strong fundamentals, qualities that we believe will ultimately be reflected in those companies' stock prices.

## Investment results

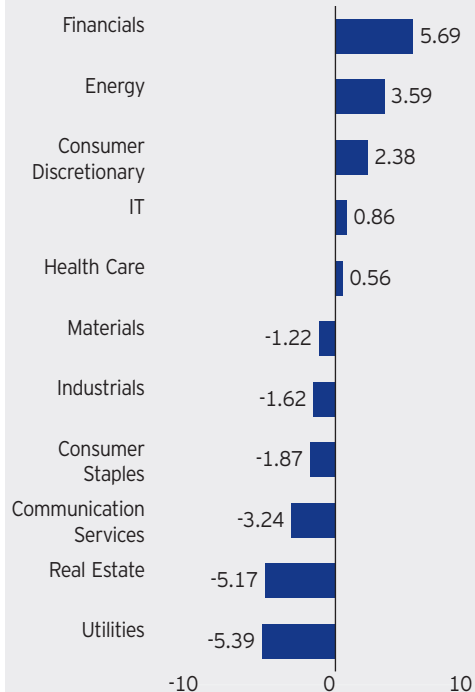
Average annual total returns (%) as of March 31, 2019

| Period    | Class A Shares      |       | Class C Shares      |       | Class Y Shares      | Style-Specific Index     |
|-----------|---------------------|-------|---------------------|-------|---------------------|--------------------------|
|           | Inception: 08/01/46 |       | Inception: 08/02/93 |       | Inception: 10/19/04 |                          |
|           | Max Load            | NAV   | Max CDSC            | NAV   | NAV                 | Russell 1000 Value Index |
| Inception | 9.35                | 9.43  | 1.00%               | 9.19  | 8.03                | -                        |
| 10 Years  | 12.53               | 13.17 |                     | 12.34 | 13.45               | 14.52                    |
| 5 Years   | 5.59                | 6.79  |                     | 6.01  | 7.07                | 7.72                     |
| 3 Years   | 8.87                | 10.94 |                     | 10.14 | 11.23               | 10.45                    |
| 1 Year    | -5.37               | 0.13  |                     | -1.46 | 0.39                | 5.67                     |
| Quarter   | 6.37                | 12.55 |                     | 11.40 | 12.66               | 11.93                    |

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.

## The fund's positioning versus the Russell 1000 Value Index (% underweight/overweight)



## Asset mix (%)

|                   |       |
|-------------------|-------|
| Dom Common Stock  | 83.45 |
| Intl Common Stock | 11.11 |
| Cash              | 5.18  |
| Other             | 0.26  |

## Expense ratios

|                | % net | % total |
|----------------|-------|---------|
| Class A Shares | 0.80  | 0.80    |
| Class C Shares | 1.53  | 1.53    |
| Class Y Shares | 0.55  | 0.55    |

Per the current prospectus

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 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 Russell 1000® Value Index is an unmanaged index considered representative of large-cap value stocks. The Russell 1000 Value 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.

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.

---

## About risk

Convertible securities may be affected by market interest rates, the risk of issuer default, the value of the underlying stock or the issuer's right to buy back the convertible securities.

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 can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

A value style of investing is subject to the risk that the valuations never improve or that the returns will

trail other styles of investing or the overall stock markets.

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.