



# Invesco Endeavor Fund

## Quarterly Performance Commentary

Nasdaq: A: ATDAX C: ATDCX Y: ATDYX

### Investment objective

The fund seeks long-term growth of capital.

### Portfolio management

Mark Uptigrove, Clayton Zacharias

### Portfolio information

Total Net Assets	\$166,643,597
Total Number of Holdings	38

### Top holdings

% of total net assets

Brookfield Property Partners	6.57
UnitedHealth	4.65
Affiliated Managers	4.35
DCC	4.31
Encore Capital	4.01
REV Group	4.01
Cognizant Technology Solutions 'A'	3.85
CarMax	3.71
Titan Machinery	3.61
Axalta Coating Systems	3.59

### Top contributors

% of total net assets

1. REV Group	4.01
2. Titan Machinery	3.61
3. CarMax	3.71
4. Encore Capital Group	4.01
5. Axalta Coating Systems	3.59

### Top detractors

% of total net assets

1. Affiliated Managers	4.35
2. CDK Global	3.23
3. Stericycle	3.45
4. Alliance Data Systems	2.03
5. Cognizant Technology Solutions	3.85

### 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. After four consecutive months of rising prices, stocks sold off in May, with the S&P 500 falling 6.58%. Bond yields and oil prices also fell 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. Equity markets recovered in June as the S&P 500 returned 7.05. 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. US large and mid-cap stocks outperformed small-cap stocks and growth outperformed value for the quarter.

### Performance highlights

- Invesco Endeavor Fund Class A shares at net asset value (NAV) had a positive absolute return, but underperformed the Russell Midcap Index for the quarter. (Please see the investment results table on page 2 for fund and index performance.)

### Contributors to performance

- **REV Group**, a leading US specialty vehicle manufacturer, recovered from temporary production disruptions caused by a fire at a key supplier's facility. **REV Group's** strategy is to build scale, product breadth and market leadership through both organic growth and acquisitions, while improving profitability through scale purchasing and by meaningfully increasing sales of high margin aftermarket parts.
- **Titan Machinery's** share price has been volatile in reaction to recent trade conflict but the stock responded positively to underlying drivers such as a growing need to replace aging agricultural machinery and a weather-related spike in crop prices that improved the profit outlook for farmers and their ability to buy new farm equipment. **Titan Machinery** owns and operates a network of full-service agricultural and construction equipment dealerships in the US and Europe. Titan management has a strong track record of making acquisitions that earn attractive rates of return for investors.

### Detractors from performance

- **Affiliated Managers Group** is a top-tier asset management firm with a unique business model that involves buying stakes in boutique asset management firms. The share price weakened during the quarter due to general pessimism toward asset managers and active management, a view that fundamentals are deteriorating, and fear that the equity market may be near the top of its current cycle.
- **CDK Global** offers a full suite of management software for automotive dealerships. The company benefits from its existing leadership in this market because dealers are typically reluctant to switch software providers due to risks and potential for significant disruption. Despite posting strong quarterly results in its core business, shares declined during the quarter as one of the company's advertising customers cut its spending with **CDK**. **CDK** subsequently decided to sell its advertising business.

### Positioning and outlook

- During the quarter, we added a new position in **Northrop Grumman** (2.48% of total net assets). **Northrop** is a leading global aerospace and defence technology company with competitive advantages in areas such as autonomous systems, electronic defense, stealth bombers and nuclear deterrence. We sold **Oaktree Capital Group** (0.00% of total net assets) due to its acquisition by Brookfield Asset Management (not a fund holding).
- We believe the world is currently in a stock picker's market where independent thinking and truly active management, rather than mirroring a benchmark, will be rewarded. We expect equities to remain volatile, as global macroeconomic issues, including the impact of monetary policies on interest rates and uncertainty about US/China trade relations, remain areas of concern for investors.
- Given this backdrop, we remain vigilant in deploying capital. With our contrarian approach and disciplined focus on security selection, we believe the fund is well-positioned to take advantage of opportunities created by market volatility.

## Investment results

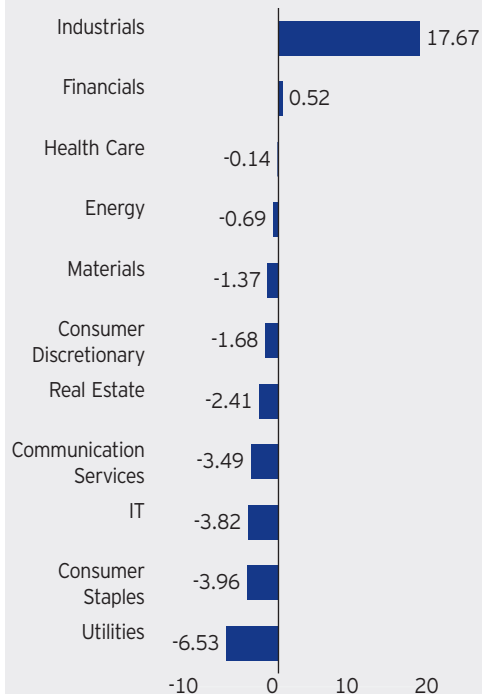
Average annual total returns (%) as of June 30, 2019

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index	Russell Midcap Index
	Inception: 11/04/03		Inception: 11/04/03		Inception: 10/03/08		
	Max Load	NAV	Max CDSC	NAV	NAV		
Inception	8.44	8.83	8.33	8.33	10.72	-	-
10 Years	11.64	12.28	11.43	11.43	12.55	15.16	15.16
5 Years	3.26	4.43	3.65	3.65	4.70	8.63	8.63
3 Years	8.34	10.41	9.57	9.57	10.69	12.16	12.16
1 Year	-6.06	-0.59	-2.34	-1.42	-0.42	7.83	7.83
Quarter	-4.65	0.88	-0.35	0.65	0.91	4.13	4.13

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 Midcap Index (% underweight/overweight)



## Asset mix (%)

Dom Common Stock	78.60
Intl Common Stock	15.24
Cash	5.84
Other	0.32

## Expense ratios

	% net	% total
Class A Shares	1.34	1.36
Class C Shares	2.12	2.14
Class Y Shares	1.12	1.14

Per the current prospectus  
Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least June 30, 2020. See current prospectus for more information.

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 Midcap® Index is an unmanaged index considered representative of mid-cap stocks. The Russell Midcap 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

Holding cash or cash equivalents may negatively affect performance.

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.

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.

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.