

Invesco Fundamental Alternatives Fund[®]

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Sept. 30, 2020



Investment objective

The fund seeks total return.

Portfolio management

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Fund facts

Nasdaq	A: QVOPX	C: QOPCX
		Y: QOPYX
Total Net Assets	\$831,315,193	
Total Number of Holdings	267	

Portfolio composition % of total net assets

Percentage of Net Asset (Long)	122.95
Percentage of Net Asset (Short)	39.96
Gross Exposure (Long + Short)	162.91
Net Exposure (Long - Short)	82.99

Top 5 long positions % of total net assets

Alphabet Inc.	1.88
Taiwan Semiconductor Manufacturing Co Ltd.	1.77
Apple Inc	1.48
Lowe's	1.45
Philip Morris International Inc.	1.44

Top 5 short positions % of total net assets

Western Union	-0.90
Demant	-0.84
Edwards Lifesciences	-0.80
Novo Nordisk A/S NVO	-0.80
Shake Shack	-0.75

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

- + In the third quarter of 2020, many countries successfully reduced the spread of COVID-19 infections, building on progress made in the latter part of the second quarter. Countries were also able to further lift pandemic-related restrictions. As a result, the "green shoots" of economic activity that we saw at the end of the second quarter grew and flourished into the third quarter, with many countries experiencing a robust economic rebound. However, at the end of the third quarter, economic growth began to slow. This coincided with rising COVID-19 infections in Europe, the US and Canada, as well as the inability of the US congress to pass another substantial fiscal stimulus package.
- + Capital markets continued to benefit from government policy response to the crisis as fiscal stimulus was significant and monetary stimulus was massive for most of the quarter. Despite a September correction, US stocks finished the quarter in positive territory supported by strong gains in July and August. Stocks performed well globally; Asian emerging market stocks posted particularly strong gains. Sovereign debt yields remained low, moving in a small range over the course of the quarter. Gold performed well for the quarter driven by concerns about rising geopolitical risks, such as the prospect of a contested US presidential election.

Positioning and outlook

- + We continue to focus on specific opportunities, selecting securities that we believe offer attractive risk-adjusted returns and reflect the change themes in the portfolio. We remain focused, as always, on controlling volatility, mitigating downside risk and generating attractive returns efficiently. We believe the ability to generate attractive returns efficiently and without taking on undue risk, controlling volatility, and limiting declines will be of greater value to investors in this market environment. That is where our investment team is focusing its efforts.

Performance highlights

- + The fund's Class A shares at net asset value (NAV) returned 3.27% for the third quarter, outperforming the HFRX Global Hedge Fund Index, which returned 2.74%. (Please see the investment results table on page 2 for fund and index performance.) All three strategies within the fund contributed to absolute performance during the quarter, with the largest contribution coming from Long/Short Equity, followed by Long/Short Credit and then Long/Short Macro.

Contributors to performance

- + Long/Short Equity Strategy: The fund's long positions in semiconductor manufacturing and design company **Taiwan Semiconductor** and technology company **Apple** added to absolute performance during the third quarter.
- + Long/Short Credit Strategy: Long positions in the corporate debt of certain banks, such as **Goldman Sachs** and **Bank of America** (1.32% of total assets), added to absolute return.
- + Long/Short Macro Strategy: The fund's long position in **Gold** added to absolute performance during the quarter.

Detractors from performance

- + Long/Short Equity Strategy: Short positions in restaurant operator **Darden Restaurants**, industrial manufacturer **Corning** and medical technology company **Edward Lifesciences** (-0.79% of total assets) hurt performance during the third quarter.
- + Long/Short Credit Strategy: The fund's relative value position that is **Long Loans and Short High-Yield Bonds** detracted from absolute performance during the quarter. This position adds value when leveraged loans outperform high-yield bonds, which was not the case this quarter. The short side of this trade is expressed through a position in a high-yield Credit Default Swap Index.
- + Long/Short Macro Strategy: The fund's **Long/Short position in European Credit Spreads**, which benefits from wider yield spreads between German government debt and less creditworthy European sovereigns (i.e., Italy, Spain and France), detracted from absolute performance during the quarter.

Expense ratios	% net	% total
Class A Shares	1.33	1.36
Class C Shares	2.10	2.12
Class Y Shares	1.09	1.12

Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least May 31, 2021 and contractual management fee waivers in effect through at least June 30, 2021. See current prospectus for more information.

Investment results

Average annual total returns (%) as of Sept. 30, 2020

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 01/03/89	NAV	Inception: 09/01/93	NAV	Inception: 12/16/96	
	Max Load 5.50%		Max CDSC 1.00%			HFRX Global Hedge Fund Index
Inception	7.22	7.41	5.53	5.53	4.28	-
10 Years	1.92	2.50	1.72	1.72	2.75	1.08
5 Years	0.17	1.31	0.54	0.54	1.55	2.14
3 Years	-0.88	1.01	0.24	0.24	1.26	1.48
1 Year	-3.14	2.49	0.71	1.71	2.75	4.23
Quarter	-2.40	3.27	2.09	3.09	3.35	2.74

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. 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. 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 source: Bloomberg L.P.

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

1 Our long position in senior loans issued by Murray Energy Corporation is managed by the Senior Floating Rate team.

■ Effective September 30, 2020, "Oppenheimer" was removed from the fund name. Please see the prospectus for additional information.

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

The HFRX Global Hedge Fund Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies; including but not limited to convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. An investment cannot be made directly in an index.

About risk

An issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.

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.

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

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

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.

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.

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 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.