

Invesco Balanced-Risk Commodity Strategy Fund

Q1 2026

Key takeaways

- 1 The fund had a positive return and outperformed its benchmark**
Outperformance was mainly driven by a tactical overweight in oil and refined products.
- 2 Energy was the largest contributor to absolute return**
Relative to its benchmark, the fund's energy exposure outperformed due to tactical overweights in diesel, heating oil and Brent crude.
- 3 Tactical positioning added to absolute and relative returns**
The fund's tactical positioning contributed to results, with gains driven by energy positioning.

Investment objective

The fund seeks to provide total return.

Fund facts

Fund AUM (\$M) 1,264.23

Portfolio managers

Christopher Devine, John Burrello,
Scott Hixon, Scott Wolle

Manager perspective and outlook

- In the first quarter of 2026, the Bloomberg Commodity Index rose 24.41%, delivering its strongest return since the first quarter of 2022 when the index rose 25.55% during the early stages of Russia's invasion of Ukraine.
- All four of the index's primary sub-complexes posted gains, with energy accounting for more than 70% of the total return, driven by US and Israeli military action against Iran.
- Within the energy segment, diesel and heating oil led results, reflecting in our view their dependence on crude oil inputs and supply chains that were already structurally tight before US and Israeli strikes on Iran.
- Agricultural commodities posted gains. Wheat rose on weather-related production risks across the US Southern Plains, the Black Sea region and Western Europe. Rising oil prices boosted soybean oil and sugar prices as these are biofuel inputs that benefit from stronger demand for renewable diesel and ethanol.
- Industrial metals advanced largely due to higher aluminum prices after missile and drone strikes and related disruptions curtailed aluminum output in the UAE, Bahrain and Qatar, removing an estimated 3-4% of primary aluminum production from the global market.
- Precious metals ended the quarter higher despite a March selloff driven by a stronger US dollar and rising interest rates.



Gross performance attribution (%)

	Quarter	Year to date	Since inception (annualized)
Agriculture	3.65	3.65	0.62
Energy	17.27	17.27	0.86
Industrial Metals	1.68	1.68	0.21
Precious Metals	2.00	2.00	1.37
Tactical Positioning	3.91	3.91	0.62
Total	28.51	28.51	3.68

Returns are gross of fund expenses; net returns will be lower. Cash represents fund collateral used to support derivative positions.

Performance highlights

The fund had a positive return for the quarter and outperformed the Bloomberg Commodity Index, mostly due to a tactical overweight in oil and refined products.

Energy was the largest contributor to fund performance, supported by gains in diesel, heating oil, gasoline, West Texas Intermediate (WTI) and Brent crude. The fund outperformed the benchmark's energy exposure due to tactical overweights in diesel, heating oil and Brent crude.

The fund's agriculture exposure primarily benefited from soybean oil, wheat, sugar and cotton. Agriculture performance was in line

with the benchmark as strategic overweights in soybean oil, sugar and cotton were offset by a tactical underweight in wheat.

Precious metals added to fund results through gains in gold and silver. However, the fund underperformed the benchmark's precious metals exposure due to its net underweight heading into January's strong rally.

Industrial metals also added to fund results. Gains were driven by positioning in aluminum, which outpaced losses in copper. The fund outperformed the benchmark's industrial metals exposure due to a strategic overweight in aluminum.

Standardized performance (%) as of March 31, 2026

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since inception
Class A shares inception: 11/30/10	NAV	28.09	28.09	43.16	16.49	13.17	8.39	2.30
	Max. Load 5.5%	21.07	21.07	35.28	14.34	11.90	7.78	1.93
Class R6 shares inception: 09/24/12	NAV	28.12	28.12	43.41	16.74	13.45	8.71	2.22
Class Y shares inception: 11/30/10	NAV	28.11	28.11	43.34	16.75	13.45	8.64	2.57
Bloomberg Commodity Index		24.41	24.41	32.29	13.88	14.04	8.02	-
Total return ranking vs. Morningstar Commodities Broad Basket category (Class A shares at NAV)		-	-	2% (5 of 107)	15% (11 of 98)	69% (58 of 92)	60% (37 of 66)	-

Calendar year total returns (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class A shares at NAV	11.59	4.49	-12.18	4.20	7.75	18.87	7.84	-3.44	5.48	18.48
Class R6 shares at NAV	12.02	5.04	-11.87	4.45	8.00	19.10	8.13	-3.27	5.83	18.88
Class Y shares at NAV	11.79	4.88	-12.02	4.48	7.89	19.23	8.01	-3.15	5.72	18.89
Bloomberg Commodity Index	11.77	1.70	-11.25	7.69	-3.12	27.11	16.09	-7.91	5.38	15.77

Expense ratios per the current prospectus: Class A**: Net: 1.49%, Total: 1.55%; Class R6**: Net: 0.98%, Total: 1.04%; Class Y**: Net: 1.24%, Total: 1.30%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com](https://www.invesco.com) 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 so that you may have a gain or a loss when you sell shares. Returns less than one year are cumulative; all others are annualized. Index source: RIMES Technologies Corp. Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower. Performance shown at NAV does not include the applicable front-end sales charge, which would have reduced the performance.

Class Y and R6 shares have no sales charge; therefore performance is at NAV. Class Y shares are available only to certain investors. Class R6 shares are closed to most investors. Please see the prospectus for more details.

Target risk allocation (%)

	Marginal risk*	Risk contribution
Agriculture	3.63	22.47
Energy	7.14	44.24
Industrial Metals	2.99	18.51
Precious Metals	2.38	14.78
Total (as of 03/31/26)	16.13	100.00

Sector weights vs the

Bloomberg Commodity Index (%)

	Fund	BCOM
Agriculture	33.81	33.30
Energy	31.84	31.50
Industrial Metals	22.63	14.78
Precious Metals	25.00	20.42

Portfolio positioning

Commodity markets enter the second quarter after a first quarter rally mainly driven by geopolitics. The two-week conditional ceasefire between the US and Iran appeared to ease immediate risks but left underlying uncertainty intact. In our view, energy prices have the most downside risk as the pause in hostilities appears fragile and volatility have remained elevated. Precious metals have retained strategic support, making them less vulnerable to rotations sparked by changing risk appetites. Industrial metals have faced constrained supply measured against uneven growth expectations, while agricultural markets have been increasingly shaped by weather risk, high input costs and biofuel demand. Overall, the ceasefire seems to be a temporary reprieve rather than a durable resolution, leaving commodity markets likely sensitive to headlines and reinforcing our belief in the importance of diversification and active risk management.

The fund enters the second quarter with a 110% net allocation, below the 111% level at the start of 2026. We reduced the tactical overweight in industrial metals; copper moved from overweight to neutral and we trimmed aluminum's overweight. We also reduced overweights in precious metals, with smaller positions in both gold and silver.

In contrast, we increased the fund's tactical overweight in energy by expanding positions in Brent, WTI and gasoline. Agriculture has shifted from an underweight to a neutral position as we reduced underweights in wheat, corn, cotton, sugar and soymeal. We also trimmed overweights in livestock and coffee.

** Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least Aug 31, 2027.

Unless otherwise specified, all information is as of 03/31/26. Unless stated otherwise, Index refers to Bloomberg Commodity Index.

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

The Bloomberg Commodity Index is designed to be a liquid and diversified benchmark for the commodity futures market. It is a rolling index composed of futures contracts on 19 physical commodities traded on US exchanges. The index was known as the Dow Jones UBS Commodity Index Total ReturnSM prior to July 1, 2014. An investment cannot be made directly in an index.

About risk

Commodities may subject an investor to greater volatility than traditional securities such as stocks and bonds and can fluctuate significantly based on weather, political, tax, and other regulatory and market developments.

Commodity-linked notes may involve substantial risks, including risk of loss of a significant portion of principal and risks resulting from lack of a secondary trading market, temporary price distortions, and counterparty risk.

Changes in the value of two investments or asset classes may not track or offset each other in the manner anticipated by the portfolio managers, which may inhibit their risk allocation process from achieving its investment objective.

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.

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.

Exchange-traded notes (ETNs) are subject to credit risk of the issuer, and the value of the ETN may drop due to a downgrade in the issuer's credit rating, despite the underlying market benchmark or strategy remaining unchanged.

Short sales may cause an investor to repurchase a security at a higher price, causing a loss. As there is no limit on how much the price of the security can increase, exposure to potential loss is unlimited.

By investing in the subsidiary, the fund is indirectly exposed to risks associated with the subsidiary's investments, including derivatives and commodities. Because the subsidiary is not registered under the Investment Company Act of 1940, the fund will not have the protections offered to investors in US 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.

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.

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 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.

Morningstar

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Before investing, consider the Fund's investment objectives, risks, charges and expenses. Visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus) for a prospectus/summary prospectus containing this information. Read it carefully before investing.