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Portfolio Managers

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Funds Under Management

Invesco SteelPath MLP Alpha
Invesco SteelPath MLP Income
Invesco SteelPath MLP Select 40
Invesco SteelPath MLP Alpha Plus

For additional information, please visit our website at [invesco.com](https://www.invesco.com)

Midstream equities outperformed the S&P 500 Index over the month of March and crude prices rose and merger and acquisition (M&A) activity remained robust. The Energy sector has contributed more to the change in S&P earnings since the COVID-19 pandemic than any other sector, yet it remains one of the cheapest and most under-owned areas of the market¹.

MLP market overview

Midstream MLPs, as measured by the Alerian MLP Index (AMZ), ended March up 4.5% on a price basis and after distributions are considered. The AMZ outperformed the S&P 500 Index's 3.2% total return for the month. The best performing midstream subsector for March was the Propane group, while the Other subsector underperformed, on average.

For the year through March, the AMZ is up 11.9% on a price basis, resulting in an 13.8% total return. This compares to the S&P 500 Index's 10.2% and 10.6% price and total returns, respectively. The Compression group has produced the best average total return year-to-date, while the Other subsector has lagged.

MLP yield spreads, as measured by the AMZ yield relative to the 10-Year U.S. Treasury Bond, narrowed by 21 basis points (bps) over the month, exiting the period at 283 bps. This compares to the trailing five-year average spread of 659 bps and the average spread since 2000 of approximately 442 bps. The AMZ's distribution yield at month-end was 7.03%.

West Texas Intermediate (WTI) crude oil exited the month at \$83.17 per barrel, up 6.3% over the period and 9.9% higher year-over-year. Natural gas prices ended March at \$1.76 per million British thermal units (MMBtu), down 5.2% over the month and 20.4% lower than March 2023. Natural gas liquids (NGL) priced at Mont Belvieu exited the month at \$30.65 per barrel, 2.0% lower than the end of February and 2.5% higher than the year-ago period.

News

EQT buying-in ETRN. EQT Corporation (NYSE: EQT) announced an agreement to acquire Equitrans Midstream (NYSE: ETRN) in an all-stock transaction in which each outstanding share of ETRN will be exchanged for 0.3504 shares of EQT. The transaction is expected to close during the fourth quarter of 2024, contingent on Federal Energy Regulatory Commission (FERC) authorization for Mountain Valley Pipeline to commence service.

SMLP sells its Utica assets to MPLX, completes strategic review. Summit Midstream Partners (NYSE: SMLP) announced the sale of Summit Midstream Utica, which includes its approximately 36% interest in Ohio Gathering Company, approximately 38% interest in Ohio Condensate Company, and wholly owned Utica assets to a subsidiary of MPLX, LP (NYSE: MPLX) for \$625 million in cash. This transaction is the culmination of the previously announced comprehensive strategic review process undertaken by SMLP's Board of Directors, in consultation with external advisors. As part of this process, the Board considered a wide range of opportunities to maximize value for unitholders, including an outright sale of Summit and other divestiture and partnership-level transactions. The Board and management team have completed their active process, but will remain open to all potential value-enhancing transactions.

Not a Deposit Not FDIC Insured
Not Guaranteed by the Bank May Lose Value
Not Insured by any Federal Government Agency

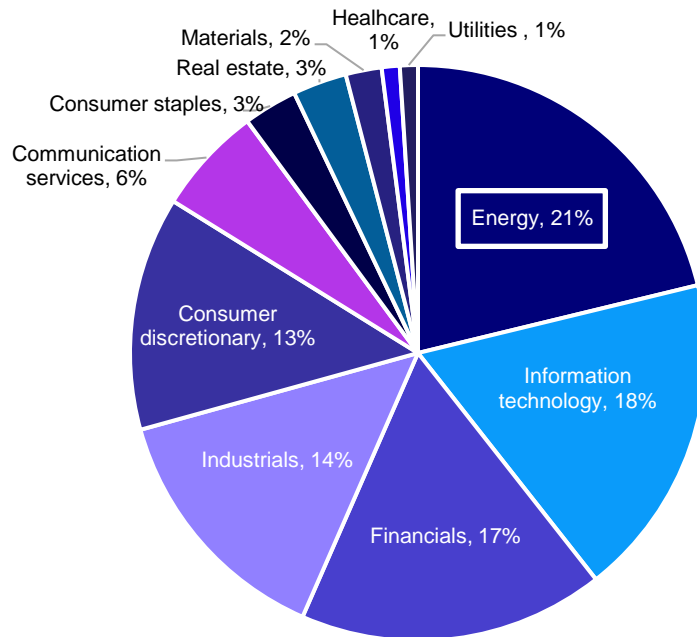


For more information, including prospectus and factsheet, please visit [Invesco.com](https://www.invesco.com)

DKL Raises Equity to Reduce Leverage and Increase Float. Delek Logistics Partners (NYSE: DKL) sold 3.1 million units in an equity offering that priced at \$38.50/unit. As a result, public ownership of DKL units increased to approximately 27%, while its sponsor, Delek Holdings (NYSE: DK) will own approximately 73% after the offering. DKL will use the net proceeds from the offering to repay outstanding borrowings under its revolving credit agreement.

Chart of the Month: Surprise! Energy has been the largest earnings contributor to the S&P 500 Index since the pandemic

Morgan Stanley's US Equity Strategy team recently upgraded the Energy sector to Overweight. In their report they noted that "Energy has contributed more to the change in S&P earnings since the pandemic than any other sector, yet it remains one of the cheapest and most under-owned areas of the market."¹



Source: "Weekly Warm-up: Great Expectations Suggest More Rotations", March 25, 2024, Morgan Stanley Research.

Important information

1. "Weekly Warm-up: Great Expectations Suggest More Rotations", March 25, 2024, Morgan Stanley Research.
Source: All data sourced from Bloomberg L.P. as of 3/31/2024 unless otherwise stated.

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.

The opinions referenced above are those of the author as of April 3, 2024. These comments should not be construed as recommendations, but as an illustration of broader themes. Forward-looking statements are not guarantees of future results. They involve risks, uncertainties and assumptions; there can be no assurance that actual results will not differ materially from expectations. The opinions are based on current market conditions and are subject to change. They may differ from those of other Invesco investment professionals.

Midstream companies are engaged in the transportation, storage, processing, refining, marketing, exploration, and production of natural gas, natural gas liquids, crude oil, refined products or other hydrocarbons.

Compression companies provides the equipment and oversight to move natural gas through the US pipeline system.

Propane companies specialize in transporting and delivering propane to customers.

Other midstream companies include companies that do not fit into the core midstream subsector categories (natural gas transportation, petroleum transportation, gathering and processing etc) and include, but are not limited to, companies that focus on compression and shipping.

The mention of specific companies, industries, sectors, or issuers does not constitute a recommendation by Invesco Distributors, Inc.

As of 12/31/2023, Invesco SteelPath MLP Alpha Fund, Invesco SteelPath MLP Alpha Plus Fund, Invesco SteelPath MLP Income Fund and Invesco SteelPath MLP Select 40 Fund had a 1.83%, 1.83%, 0.00% and 1.88% position respectively in Equitrans Midstream.

As of 12/31/2023, Invesco SteelPath MLP Alpha Fund, Invesco SteelPath MLP Alpha Plus Fund, Invesco SteelPath MLP Income Fund and Invesco SteelPath MLP Select 40 Fund had a 0.00%, 0.00%, 0.37% and 0.17% position respectively in Summit Midstream Partners.

As of 12/31/2023, Invesco SteelPath MLP Alpha Fund, Invesco SteelPath MLP Alpha Plus Fund, Invesco SteelPath MLP Income Fund and Invesco SteelPath MLP Select 40 Fund had a 13.54%, 13.68%, 13.13% and 6.82% position respectively in MPLX LP.

As of 12/31/2023, Invesco SteelPath MLP Alpha Fund, Invesco SteelPath MLP Alpha Plus Fund, Invesco SteelPath MLP Income Fund and Invesco SteelPath MLP Select 40 Fund had a 0.00%, 0.00%, 1.13% and 0.33% position respectively in Delek Logistics Partners.

As of 12/31/2023 none of the SteelPath funds held Delek Holdings or EQT Corporation.

Holdings are subject to change and are not buy/sell recommendations.

The Alerian MLP Index is a float-adjusted, capitalization-weighted index measuring master limited partnerships, whose constituents represent approximately 85% of total float-adjusted market capitalization. Index performance is shown for illustrative purposes only and does not predict or depict the performance of any investment. An investment cannot be made into an index. Past performance does not guarantee future results.

A yield spread is the difference between yields on differing debt instruments of varying maturities, credit ratings, issuer, or risk level, calculated by deducting the yield of one instrument from the other.

A basis point is one hundredth of a percentage point.

Most MLPs operate in the energy sector and are subject to the risks generally applicable to companies in that sector, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk. MLPs are also subject the risk that regulatory or legislative changes could eliminate the tax benefits enjoyed by MLPs which could have a negative impact on the after-tax income available for distribution by the MLPs and/or the value of the portfolio's investments. Although the characteristics of MLPs closely resemble a traditional limited partnership, a major difference is that MLPs may trade on a public exchange or in the over-the-counter market. Although this provides a certain amount of liquidity, MLP interests may be less liquid and subject to more abrupt or erratic price movements than conventional publicly traded securities. The risks of investing in an MLP are similar to those of investing in a partnership and include more flexible governance structures, which could result in less protection for investors than investments in a corporation. MLPs are generally considered interest-rate sensitive investments. During periods of interest rate volatility, these investments may not provide attractive returns.

Energy infrastructure MLPs are subject to a variety of industry specific risk factors that may adversely affect their business or operations, including those due to commodity production, volumes, commodity prices, weather conditions, terrorist attacks, etc. They are also subject to significant federal, state and local government regulation.

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 financial professionals for a prospectus/summary prospectus or visit [invesco.com](https://www.invesco.com).