

# Invesco Comstock Fund

## Quarterly Performance Commentary

Mutual Fund Retail Share Classes  
Data as of Dec. 31, 2019



### Investment objective

The fund seeks total return through growth of capital and current income.

### Portfolio management

Kevin C. Holt, Devin E. Armstrong, Charles DyReyes, James Warwick

### Fund facts

Nasdaq	A: ACSTX	C: ACSYX
		Y: ACSDX
Total Net Assets	\$11,765,644,808	
Total Number of Holdings	69	

Top holdings	% of total net assets
Citi	5.31
Bank of America	5.08
JPMorgan Chase	3.55
Philip Morris	2.72
Chevron	2.18
Suncor Energy	2.07
BP	2.05
Anthem	2.03
Morgan Stanley	1.99
AIG	1.95

Top contributors	% of total net assets
1. Bank of America	5.08
2. Citigroup	5.31
3. JPMorgan Chase	3.55
4. State Street	1.49
5. Anthem	2.03

Top detractors	% of total net assets
1. AIG	1.95
2. Johnson Controls International	1.48
3. eBay	1.25
4. Textron	1.13
5. Vistra Energy	0.47

### Market overview

+ Macro-economic and geopolitical issues that concerned investors in the third quarter mostly abated during the fourth quarter, providing a favorable backdrop for strong equity returns. US stocks reached record highs in each month of the quarter, sparked by optimism about China trade relations and a fresh wave of merger and acquisition activity. A resilient US economy and robust corporate earnings also cheered investors, leading US equities to their largest annual return

since 2013. In October, the US Federal Reserve cut interest rates as expected and signaled a probable hold on further rate changes. The US economy grew more than expected in the third quarter, at 2.1%, according to the revised estimate as of November 27, 2019. With the information technology (IT) and health care sectors leading the way, the S&P 500 Index posted an impressive 9.07% return for the quarter.

### Positioning and outlook

+ As of quarter end, the fund's financials and energy positions were larger than the respective benchmark sectors because we have a favorable view of large banks within financials and a positive outlook for the long-term prospects of the fund's energy holdings. Conversely, given the team's emphasis on finding the most attractively valued stocks, the fund is materially underweight communication services and utilities and has no exposure to real estate because we believe these

areas are overvalued.

+ During the fourth quarter, there was greater clarity regarding prospects for additional tariffs and the direction of interest rates. This benefited stocks with more cyclical earnings, such as large banks and, to a lesser degree, energy. We strongly believe that, longer term, the current portfolio positioning represents a balanced view of risk and reward based on the underlying fundamentals.

### Performance highlights

+ The fund's Class A shares at net asset value (NAV) outperformed the Russell 1000 Value Index in the fourth quarter. (Please see the investment results table on page 2 for fund and index performance.) Within the index, IT and health care had the strongest performance for the quarter, while real estate and utilities were the weakest sectors.

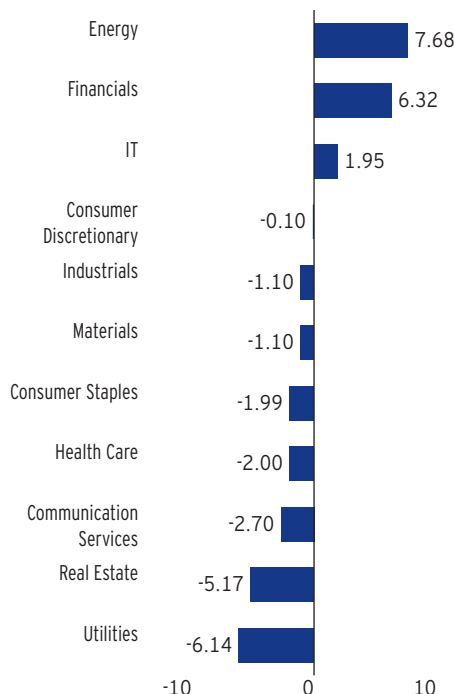
### Contributors to performance

- + Stock selection within financials and consumer staples added the most to relative performance in the fourth quarter.
- + Within financials, a substantial overweight in large banks was a significant contributor to relative performance. **Bank of America** and **Citigroup** within the bank segment and **State Street** within diversified financials were all leading contributors, based on their strong earnings. Large banks have continued to return capital to shareholders in the form of dividends and by repurchasing stock at attractive valuations.
- + Within consumer staples, **Philip Morris International** (2.72% of total net assets) and not owning **Procter & Gamble** (0.00% of total net assets) both added to relative return. **Philip Morris International's** revenue and profits exceeded the consensus of analyst estimates. The company's quarterly results benefited from higher revenues and shipment volumes in the heated tobacco category and from favorable pricing being a key growth driver across most regions.

### Detractors from performance

- + The fund's allocation to cash and stock selection among industrial companies detracted from relative performance.
- + Although cash averaged 5% for the quarter, it was the largest relative detractor given the very strong equity environment.
- + Within industrials, **Johnson Controls International** and **Textron** were key laggards. **Johnson Controls** disappointed investors with weaker-than-expected increases in incremental profit margins. **Textron** suffered as the demand outlook for business jets weakened and management lowered its forward earnings guidance.

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



**Investment results**

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

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index	Russell 1000 Value Index
	Inception: 10/07/68	NAV	Inception: 10/26/93	NAV	Inception: 10/29/04		
Inception	10.68	10.80	9.53	9.53	7.88	-	-
10 Years	10.44	11.06	10.25	10.25	11.35	11.80	11.80
5 Years	6.29	7.50	6.72	6.72	7.77	8.29	8.29
3 Years	6.97	9.01	8.23	8.23	9.30	9.68	9.68
1 Year	18.46	25.34	23.45	24.45	25.65	26.54	26.54
Quarter	3.11	9.12	7.92	8.92	9.18	7.41	7.41

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.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	0.81	0.82	Dom Common Stock	83.71
Class C Shares	1.55	1.56	Intl Common Stock	11.97
Class Y Shares	0.56	0.57	Cash	4.35
			Other	-0.03

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, 2021. See current prospectus for more information.

A negative in Cash or Other, as of the date shown, is normally due to fund activity that has accrued or is pending settlement.

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.  
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.  
Beta (cash adjusted) is a measure of relative risk and the slope of regression.

---

**About risk**

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, including emerging markets, 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.