Invesco Main Street Fund

Q1 2025

Key takeaways

1 The fund underperformed its benchmark

Underperformance mainly resulted from stock selection in information technology (IT), industrials and materials. Stronger stock selection in consumer discretionary, financials and consumer staples partially offset these results.

2 Portfolio activity

There was no significant change to overall positioning as we sought to keep most sector, factor and other macro-related exposures similar to the S&P 500 Index.

3 US equities declined

The S&P 500 Index fell 4.27% during the quarter with mixed sector performance. Energy led sector returns in the index. Defensive sectors such as health care and consumer staples also had positive returns, while consumer discretionary and information technology (IT) saw double-digit losses.

Investment objective

The fund seeks capital appreciation.

Fund facts

Fund AUM ($M)	10,106.17

Portfolio managers

Manind Govil, Benjamin Ram

Manager perspective and outlook

- US equities declined in the first quarter amid considerable volatility and economic concerns.
- The year started with positive expectations for the US economy, but sentiment appeared to reverse by mid-February. Apparent concerns about the Trump administration's tariff policies appeared to spark fears of a prolonged trade war and potential recession. The annualized growth rate of the US Gross Domestic Product (GDP) for 2024 was 2.8%, but forecasts for 2025 dimmed due to tariff uncertainty.
- Inflation appeared to stabilize somewhat but remained higher than the US Federal Reserve's (Fed) 2% target. US unemployment stayed low, but employment data showed signs of softening. Against this backdrop, the Fed held benchmark interest rates steady.
- The S&P 500 Index ended the first quarter with a return of -4.27%, driven by a full 10% correction in March. Energy led all sector returns within the index. Defensive sectors such as health care and consumer staples had positive returns, while consumer discretionary and information technology (IT) had double-digit losses.
- Regardless of market sentiment and near-term economic trends, our investment process favors better-managed companies with strong balance sheets and competitive positioning. We seek to outperform through stock selection while keeping top-down macro, factor and sector exposures similar to the index.

Top issuers

(% of total net assets)

	Fund	Index
Microsoft Corp	7.06	5.87
Apple Inc	6.38	7.02
NVIDIA Corp	6.11	5.58
Amazon.com Inc	4.99	3.77
Alphabet Inc	3.10	3.45
Philip Morris International Inc	2.92	0.52
Meta Platforms Inc	2.80	2.65
JPMorgan Chase & Co	2.48	1.44
Fiserv Inc	2.07	0.26
McDonald's Corp	1.99	0.47

As of 03/31/25. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

We maintain our valuation discipline and our focus on companies with competitive advantages and skilled management teams that are executing better than their peers. These companies historically tend to have higher profit margins and returns on invested capital, rising market shares and consistently strong pricing power. As of quarter end, all sector weights were within +/- 3% of the S&P 500 Index. At quarter end, the fund's largest overweight was the health care sector and the largest underweight was IT.

New purchases during the quarter included the following companies:

Cencora is a leading pharmaceutical solutions company. We believe it is a well-positioned business in the health care sector amid increased geopolitical risks.

ASML was purchased because it has in our view an attractive valuation and maintains a dominant market position in developing and producing high-tech machinery that is critical to the semiconductor manufacturing process.

CVS Health was added because of what we see as a compelling valuation and strong upside potential should management make progress in its strategic turnaround.

Alcon is a global leader in eye care products and services. Strong execution has led to market share gains, and we believe it offers an attractive risk-reward profile in the health care sector.

Airbus has a five-year order backlog that should in our view provide the business some insulation from potential economic headwinds.

DR Horton is a leading home construction company that has been executing well in our view and gaining market share relative to peers.

Lowe's is a leading retail and home improvement company with what we consider an attractive valuation.

AstraZeneca in our view boasts one of the best product pipelines among large pharmaceutical companies.

Positions sold during the quarter included the following companies:

Exxon Mobil was sold and we used the funds to add to exiting positions in **Chevron** and **Cheniere**.

Comcast was sold in order to pursue more compelling options as the company has been executing below our expectations.

Merck was used as a source of funds for a new position in **Cencora.**

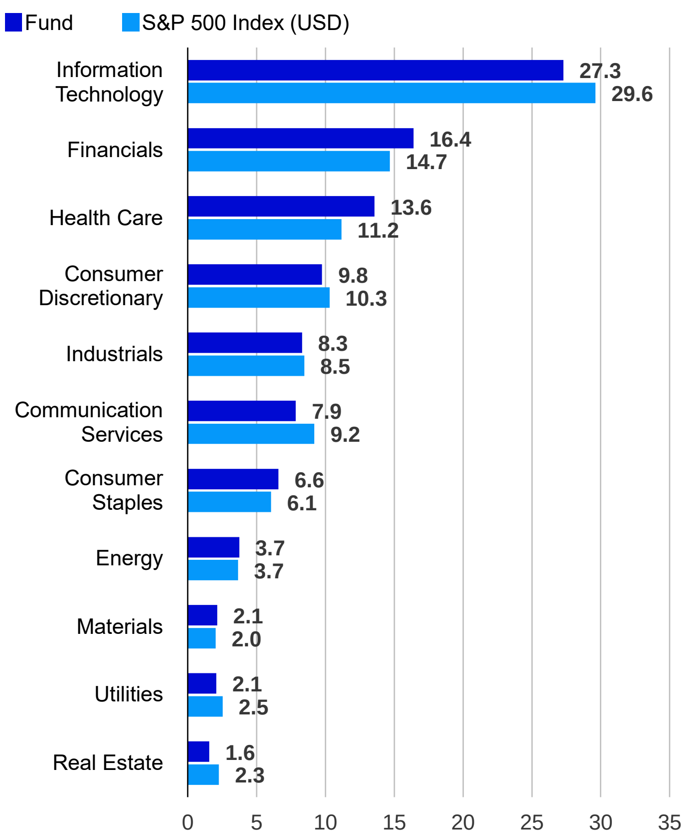
Aercap was sold because we believe our investment thesis has mostly played out.

HCA was sold for risk management purposes; its business is meaningfully exposed to potential shifts in US government health care expenditures.

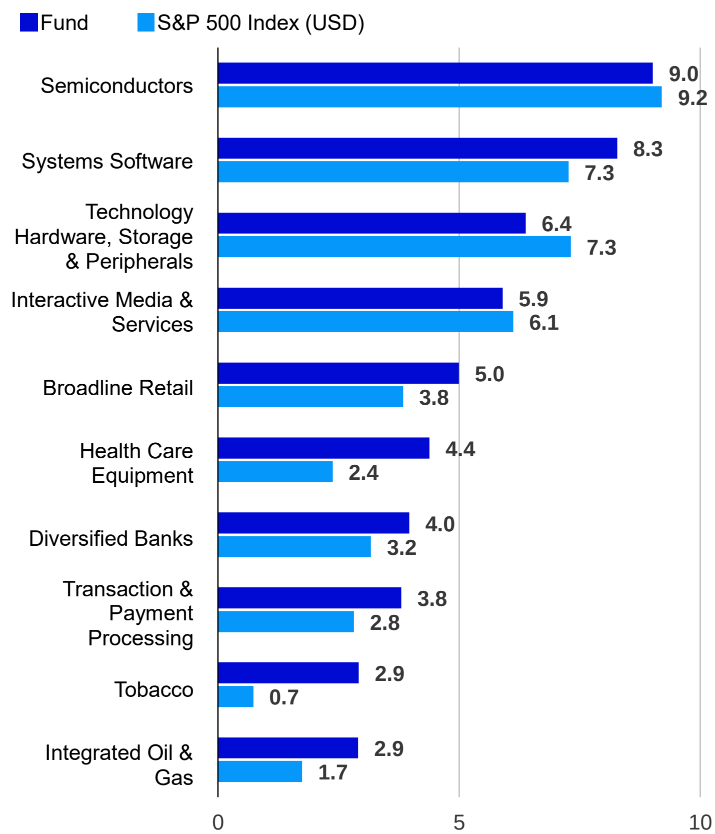
Applied Materials was used as a source of funds to purchase **ASML**.

Equifax was sold after we had taken profits over time and the stock reached our target price.

Sector breakdown (% of total net assets)



Top industries (% of total net assets)



Top contributors (%)

Issuer	Return	Total effect
Philip Morris International Inc.	33.06	0.66
Tesla, Inc.	-35.83	0.46
AT&T Inc.	25.79	0.29
American International Group, Inc.	19.99	0.28
Uber Technologies, Inc.	20.79	0.26

Top detractors (%)

Issuer	Return	Total effect
Berkshire Hathaway Inc.	0.00	-0.37
ServiceNow, Inc.	-24.90	-0.27
Hubbell Incorporated	-20.72	-0.20
Constellation Brands, Inc.	-16.46	-0.19
Visa Inc.	0.00	-0.17

Performance highlights

The fund's Class A shares at net asset value (NAV) returned -4.38% for the quarter, underperforming the S&P 500 Index, which returned -4.27%. Underperformance mainly resulted from stock selection in IT, industrials and materials. Stronger stock selection in consumer discretionary, financials and consumer staples partially offset these results.

Contributors to performance

Philip Morris International reported strong sales in its cigarette business, driven by larger volumes and higher pricing, as well as growth in smoke-free products, including its IQOS and Zyn brands, which have higher profit margins and now make up a meaningful portion of company sales.

AT&T has improved execution since its divestiture of DirectTV in late 2024. The stock outperformed during the quarter as management reported solid earnings, and the stock was buoyed by the defensive nature of its business during a turbulent period.

AIG outperformed as management reported growth in its insurance operations, while investors seemed to favor the insurance segment amid shaky markets. AIG also benefited from continued execution of strategic initiatives to streamline its business through divestitures and efficiency improvements.

Detractors from performance

ServiceNow is a cloud-based provider of enterprise workflow solutions. It reported strong earnings, but the stock fell along with the broader software sector and was also hampered by concerns about the company's federal government segment as federal spending has come under scrutiny.

Hubbell is a leading manufacturer of utility and electrical solutions. The stock fell during the quarter as earnings in the company's sizeable utility segment missed expectations, mainly due to conservative customer orders in the face of an uncertain economic environment.

Constellation Brands has been growing market share in its beer business, led by its Modelo brand. However, the stock declined due to lower-than-expected sales along with the possibility of tariffs on Mexican imports.

Standardized performance (%) as of March 31, 2025

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 02/03/88	NAV	-4.38	-4.38	5.27	7.34	16.25	10.52	11.20
	Max. Load 5.5%	-9.64	-9.64	-0.52	5.34	14.94	9.90	11.03
Class R6 shares inception: 12/29/11	NAV	-4.30	-4.30	5.58	7.67	16.60	10.91	12.73
Class Y shares inception: 11/01/96	NAV	-4.30	-4.30	5.53	7.60	16.51	10.78	8.61
S&P 500 Index (USD)		-4.27	-4.27	8.25	9.06	18.59	12.50	-
Total return ranking vs. Morningstar Large Blend category (Class A shares at NAV)		-	-	64% (860 of 1375)	66% (835 of 1274)	74% (867 of 1173)	69% (616 of 894)	-

Expense ratios per the current prospectus: Class A: Net: 0.80%, Total: 0.80%; Class R6: Net: 0.50%, Total: 0.50%; Class Y: Net: 0.57%, Total: 0.57%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit 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. 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: 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.

Calendar year total returns (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Class A shares at NAV	3.12	11.41	16.74	-7.89	31.94	14.37	27.60	-20.17	23.06	23.64
Class R6 shares at NAV	3.55	11.90	17.19	-7.52	32.48	14.74	28.02	-19.92	23.42	23.99
Class Y shares at NAV	3.36	11.70	16.99	-7.66	32.23	14.63	27.88	-19.98	23.34	23.91
S&P 500 Index (USD)	1.38	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	26.29	25.02

Portfolio characteristics*

	Fund	Index
No. of holdings	72	503
Top 10 issuers (% of AUM)	39.91	33.57
Wtd. avg. mkt. cap ($M)	920,805	905,717
Price/earnings	24.68	23.88
Price to book	4.21	4.56
Est. 3 – 5 year EPS growth (%)	12.48	12.10
ROE (%)	21.60	24.64
Long-term debt to capital (%)	38.76	38.02
Operating margin (%)	27.27	26.66

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-1.41	0.00
Beta	0.96	1.00
Sharpe ratio	0.83	0.95
Information ratio	-0.87	0.00
Standard dev. (%)	16.39	16.90
Tracking error (%)	2.69	0.00
Up capture (%)	85.40	100.00
Down capture (%)	97.93	100.00
Max. drawdown (%)	25.98	23.87

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	0.03	0.08	0.11
Consumer Discretionary	0.07	0.35	0.42
Consumer Staples	0.05	0.07	0.11
Energy	0.01	-0.10	-0.09
Financials	0.15	0.11	0.26
Health Care	0.15	-0.15	0.00
Industrials	-0.02	-0.10	-0.12
Information Technology	0.17	-0.64	-0.47
Materials	0.02	-0.13	-0.12
Real Estate	-0.05	0.03	-0.02
Utilities	-0.04	0.04	0.00
Cash	0.02	0.00	0.02
Total	**0.55**	**-0.45**	**0.10**

Holdings are subject to change and are not buy/sell recommendations. Attribution methodology notes: The attribution provides analysis of the effects of several portfolio management decisions, including allocation and security selection. Securities classified as “Other” may include non-equity securities, derivatives, and securities for which a sector classification may not be appropriate. The portfolio is actively managed and portfolio holdings are subject to change. The percentage weights represented for the portfolio are dollar weighted based on market value. **Market allocation effect** shows the excess contribution due to sector/market allocation. A positive allocation effect implies that the choice of sector weights in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Selection effect** shows the excess contribution due to security selection. A positive selection effect implies that the choice of stocks in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Total effect** is the difference in contribution between the benchmark and portfolio. **Past performance does not guarantee future results.**

Unless otherwise specified, all information is as of 03/31/25. Unless stated otherwise, Index refers to S&P 500 Index (USD).

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

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

In general, stock values fluctuate, sometimes widely, in response to activities specific to the company as well as general market, economic and political conditions.

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

Stocks of small and medium-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.

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.

* **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio indicates better risk-adjusted performance. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Tracking Error** is defined as the expected standard deviation of a portfolio's excess return over the benchmark index return. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Maximum Drawdown** is the maximum observed loss from a high to a low of a portfolio, before a new high is attained. Maximum drawdown is an indicator of downside risk over a specified time period. **Weighted Average Market Cap** is a measure of the average size of company held in a portfolio. The percentage of the portfolio invested each company, or its weight, is multiplied by its size (market capitalization). An average of the weighted size of all companies held is then calculated. **Price/earnings** measures the price per share relative to the earnings per share of the company while excluding extraordinary items. **Price to book** measures the firm's capitalization (market price) to book value. **Est. 3-5 year EPS (Earning per share) growth** measures the earning per share growth from FY3 to FY5. **ROE** is the Return on Equity that measures the fund's annual return relative to total shareholders' equity. This ratio evaluates how quickly investments can be turned into profits. **Long-term debt to capital** measures a fund's financial leverage by calculating the proportion of long-term debt used to finance its assets relative to the amount of equity used for the same purpose. A higher ratio indicates higher leverage. **Operating margin** measures the profit a fund makes for every dollar of sales after paying the variable expenses. **Contribution to Return** measures the performance impact from portfolio holdings over a defined time period. It takes into account both weight and performance of the portfolio holdings. Contribution to Return is calculated at security level.

Morningstar

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