

Invesco Global Strategic Income Fund

Q1 2026

Key takeaways

- 1 A global income solution**
The fund serves as a global income solution, investing across US, developed and emerging market sovereign and corporate bonds, while actively managing foreign currency exposure.
- 2 Opportunity to benefit from income and diversification**
Global fixed income markets offer, in our view, a wide opportunity set for additional yield and total return potential, with built-in diversification across geographies and fixed income sectors.
- 3 We believe diversifying beyond the US dollar offers greater total return potential**
After falling 9% in 2025 and up nearly 2% so far in 2026, the US dollar has remained expensive on a historical basis and could be vulnerable to further decline, particularly if US growth slows.

Investment objective

The fund seeks total return.

Fund facts

Fund AUM (\$M)	1,651.64
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Portfolio managers

Hemant Baijal, Arin Kornchankul, Kristina Campmany, Michael Block

Manager perspective and outlook

- Volatility rose in the first quarter, as escalating geopolitical risk appeared to reignite inflation concerns, causing global fixed income markets to recalibrate interest rate expectations.
- The main transmission channel of the Iran conflict to the economy has been via oil prices. Markets quickly priced in fewer interest rate cuts and even possible rate hikes in developed and emerging markets, while central banks appeared more patient.
- The US Federal Reserve and the European Central Bank left rates unchanged during the quarter, seemingly acknowledging the Iran conflict introduces potential upside inflation risks and downside growth risks.
- The Bank of England, Bank of Canada, Reserve Bank of New Zealand and Bank of Japan held rates steady, while the Reserve Bank of Australia raised rates.
- Emerging market monetary policy in 2026 has been fragmented, with selective rate cuts in Brazil, Mexico, Egypt, Hungary, the Philippines and Thailand, while China remained accommodative and several Asian economies paused their rate cuts.
- The US dollar rallied from the start of the Iran conflict, but rose less than 2% for the quarter, a fairly muted move in our view relative to the change in oil prices, leading us to conclude this strength may be temporary.
- We believe widening divergence in economic outcomes and policy paths across countries creates a favorable environment for active management to capture alpha (excess return above a given benchmark).



Portfolio characteristics*

Effective duration (years)	5.30
Weighted avg. effective maturity (years)	4.50
30-day SEC yield (Class A shares)	4.77
30-day SEC unsubsidized yield (Class A shares)	4.34

Quality breakdown

	(% total)
AAA	4.3
AA	13.4
A	9.5
BBB	24.1
BB	24.4
B	5.3
CCC and below	1.2
Not rated	-0.7
Cash and Cash equivalent	9.6
Derivatives & FX	8.9

Investment categories

	(% total)
Securitized	30.1
MBS	26.7
ABS	2.9
CMBS	0.5
Emerging Market Debt	22.7
Emerging Market Sovereign Bonds	16.6
Emerging Market Corporate Bonds	6.1
US Debt	17.4
US Investment Grade Bonds	12.3
US High Yield Bonds	4.9
US Loans	0.2
Non-US Debt	12.0
Non-US Investment Grade Bonds	6.5
Non-US High Yield Bonds	5.9
Non-US Sovereign Bonds	-0.5
Cash & Cash Equivalent	9.6
Derivatives & FX	8.9
Others	-0.6

Portfolio positioning

During the quarter, foreign currency exposure rose, mainly by increases in emerging market currencies, and to a lesser extent, developed market currencies. We increased duration exposure by adding emerging market duration. Credit exposure increased, primarily through additions to developed market structured credit.

The Iran conflict appeared to trigger a significant oil shock and fear that central banks would have to raise interest rates in response to inflationary pressures. Markets appear to have priced out interest rate cuts and priced in possible rate hikes, pressuring the shorter end of many developed market yield curves. Higher oil prices strengthened the dollar, flattened yield curves and delayed expectations for global monetary easing.

We expect higher energy prices to be more damaging to growth than inflation and believe central banks are ultimately more likely to cut interest rates than to hike. If energy prices stay elevated for an extended period, this will likely slow the global economy, with Asia and Europe the most vulnerable and the US secondarily via global pricing. We would expect central banks to respond to slower growth rather than headline inflation, so monetary policy should in our view ease over time. We believe markets are overlooking the second order growth effects and, therefore, we see the most attractive opportunities in countries where markets have continued to price in rate hikes.

Emerging market central banks should in our view be able to resume rate cuts once volatility stabilizes. Mexico's unexpected cut in March suggests to us scope for similar actions elsewhere. Brazil eased policy rates (albeit by less than expected) and we expect the pace of policy normalization to accelerate over the rest of 2026 given improving inflation dynamics and elevated real rates.

Geopolitical volatility has created short-term market dislocations that we view as opportunities for excess return. The initial "flight to US" cheapened many international assets and lifted short-term yields abroad, improving in our view forward return potential. As growth slows and monetary policy eases, we could see downward pressure on the US dollar (given its need to attract capital to fund budget, trade and current account deficits), which historically favors international assets. We believe elevated dispersion in economic and policy paths supports increasing diversification by selectively adding non-US exposure, particularly via an active approach across interest rates, credit and foreign currency exposures.

Performance highlights

The fund's Class A shares at net asset value (NAV) underperformed its benchmark for the quarter. The fund's interest rate positioning, credit and foreign currency exposures all detracted from relative return. The top contributors to relative return were positioning in the Brazilian real, interest rate positioning in Japan and credit exposures in the European Union. The largest detractors from relative return were interest rate positioning in the European Union, positioning in the South African rand and credit exposures in Argentina.

Contributors to performance

- Interest rate positioning in the Brazilian real
- Interest rate positioning in Japan
- Credit exposures in the European Union

Detractors from performance

- Interest rate positioning in the European Union
- Positioning in the South African rand
- Credit exposures in Argentina

Standardized performance (%) as of March 31, 2026

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 10/16/89	NAV	-4.44	-4.44	4.31	5.60	1.28	2.28	5.74
	Max. Load 4.25%	-8.61	-8.61	-0.14	4.05	0.41	1.83	5.62
Class R6 shares inception: 01/27/12	NAV	-4.69	-4.69	4.33	5.97	1.62	2.62	2.75
Class Y shares inception: 01/26/98	NAV	-4.69	-4.69	4.23	5.86	1.46	2.49	4.53
Bloomberg Global Aggregate Index		-1.07	-1.07	4.26	2.59	-1.46	0.58	-
Total return ranking vs. Morningstar Global Bond category (Class A shares at NAV)		-	-	54% (64 of 146)	14% (19 of 146)	21% (24 of 141)	13% (15 of 126)	-

Expense ratios per the current prospectus: Class A**: Net: 1.05%, Total: 1.06%; Class R6**: Net: 0.71%, Total: 0.72%; Class Y**: Net: 0.81%, Total: 0.82%.

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.

Performance highlights (cont'd)

Calendar year total returns (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class A shares at NAV	6.36	6.22	-4.69	10.58	3.51	-3.24	-11.79	8.65	3.28	12.79
Class R6 shares at NAV	7.11	6.66	-4.36	10.72	3.88	-2.91	-11.27	9.04	3.63	13.21
Class Y shares at NAV	6.62	6.47	-4.46	10.84	3.76	-3.28	-11.62	8.93	3.86	13.06
Bloomberg Global Aggregate Index	2.09	7.39	-1.20	6.84	9.20	-4.71	-16.25	5.72	-1.69	8.17

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

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

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

The Bloomberg Barclays Global Aggregate Index is an unmanaged index considered representative of global investment-grade, fixed-income markets. 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.

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.

Many countries in the European Union are susceptible to high economic risks associated with high levels of debt, notably due to investments in sovereign debts of European countries such as Greece, Italy, and Spain.

Junk bonds have greater risk of default or price changes due to changes in the issuer's credit quality. Junk bond values fluctuate more than high quality bonds and can decline significantly over a short time.

Most senior loans are made to corporations with below investment-grade credit ratings and are subject to significant credit, valuation, and liquidity risk. The value of the collateral securing a loan may not be sufficient to cover the amount owed, may be found invalid or may be used to pay other outstanding obligations of the borrower under applicable law. There is also the risk that the collateral may be difficult to liquidate, or that a majority of the collateral may be illiquid.

Issuers of sovereign debt or the governmental authorities that control repayment may be unable or unwilling to repay principal or interest when due, and the Fund may have limited recourse in the event of default. Without debt holder approval, some governmental debtors may be able to reschedule or restructure their debt payments or declare moratoria on payments.

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.

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.

Ratings source: Standard & Poor's, Moody's or Fitch, as applicable. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. Not Rated indicates the debtor was not rated and should not be interpreted as indicating low quality. A negative in Cash indicates fund activity that has accrued or is pending settlement. For more information on rating methodologies, please visit the following NRSRO websites:

www.standardandpoors.com and select 'Understanding Credit Ratings' under Rating Resources 'About Ratings' on the homepage; <https://ratings.moodys.io/ratings> and select 'Understanding Ratings' on the homepage; www.fitchratings.com and select 'Ratings Definitions Criteria' under 'Resources' on the homepage. Then select 'Rating Definitions' under 'Resources' on the 'Contents' menu.

* **30-day SEC yield** is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. **30-day SEC unsubsidized yield** reflects the 30-day yield if the investment adviser were not waiving all or part of its fee or reimbursing the fund for part of its expenses. Total return would have also been lower in the absence of these temporary reimbursements or waivers. **Effective duration** is the managers' estimate of a bond fund's price sensitivity to changes in interest rates. This measure takes into account mortgage prepayments, puts, adjustable coupons and potential call dates. **Weighted average maturity** is a measure, as estimated by the fund's portfolio managers, of the length of time the average security in a bond fund will mature or be redeemed by its issuer. It takes into account mortgage prepayments, puts, adjustable coupons and potential call dates.

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.