

Invesco Global Real Estate Income Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Sept. 30, 2019



Investment objective

The fund seeks current income and, secondarily, capital appreciation.

Portfolio management

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Fund facts

Nasdaq	A: ASRAX	C: ASRCX
		Y: ASRYX
Total Net Assets	\$749,821,229	
Total Number of Holdings	175	
Annual Turnover (as of 08/31/18)	59%	
Distribution Accrual	Quarterly	
Distribution Frequency	Quarterly	

Top holdings

	% of total net assets
AvalonBay Communities	2.48
Morgan Stanley Bank of America Merrill Lynch Trust 2013-C12 (4.92) 15/10/2046	1.87
Boston Properties	1.70
Sempra Energy Pfd	1.57
Prologis	1.52
Natixis Commercial Mortgage Securities Trust 2018-285M (3.92) 15/11/2032	1.51
Crown Castle Pfd 'A'	1.45
Crown Castle	1.44
JPMBB Commercial Mortgage Securities Trust 2014-C26 (4.99) 15/09/2024	1.39
COMM 2014-CCRE21 Mortgage Trust (4.08) 10/12/2047	1.36

Top contributors

	% of total net assets
1. CyrusOne	0.67
2. Mid-America Apartment Communities	1.01
3. AvalonBay Communities	2.48
4. HCP	1.34
5. Crown Castle	1.44

Top detractors

	% of total net assets
1. Sun Hung Kai Properties	0.63
2. New World Development	0.58
3. Link REIT	0.70
4. Dexus	0.55
5. CK Asset	0.46

Market overview

- + The global growth outlook weakened during the quarter, with increasing contrast between weak manufacturing and healthier service activity. In response to slower growth, central banks in the US, Eurozone, Australia and China provided interest rate cuts or quantitative easing in September. The geopolitical environment remained volatile given increased potential for US presidential impeachment, the UK's exit from the European Union being no nearer to a resolution, and continued upheaval in Hong Kong.
- + Listed real estate delivered positive returns in the third quarter. Toward quarter end, companies that were more deeply undervalued, with lower quality characteristics had the best performance. Companies with better fundamental prospects and higher earnings growth tended to underperform. This reflected a sharp change in the market's preferred investment characteristics and benefited retail REITs, which have weaker fundamentals. Global listed real estate ended the quarter trading at a small premium to underlying net asset value.

Positioning and outlook

- + Listed real estate companies are generally maintaining financial discipline. At present, many companies have the opportunity to use attractively priced new equity and debt to complete acquisitions and enhance their growth rate. The team continues to favor listed companies that are supplying new assets into markets where there is clear tenant demand. Though we recognize the need to maintain attractive yield characteristics in an income-starved world, we maintain a bias toward companies with higher quality assets, operating in supply constrained real estate markets, with generally less leveraged balance sheets and, most importantly, above-average earnings and asset value growth.
- + We believe the fund's ability to invest in both real estate equity and fixed income is particularly beneficial in today's volatile market environment and can add value throughout the real estate cycle.
- + The fund's fixed income allocation has the potential to help reduce overall volatility compared to an all-equity real estate portfolio.

Performance highlights

- + Invesco Global Real Estate Income Fund Class A shares at net asset value (NAV) underperformed the fund's benchmark. (Please see the investment results table on page 2 for fund and index performance.)

Contributors to performance

- + By country, an underweight in Hong Kong contributed significantly to relative return, as did an underweight in Australia.
- + Data center REIT **CyrusOne** was the largest individual contributor to relative return. The company announced strong second quarter growth, with normalized funds from operations (FFO) per share up 11% year over year. Rumors that the company was an acquisition target also supported overall performance.

Detractors from performance

- + The portfolio's fixed income holdings, including commercial mortgage-backed securities and corporate bonds, delivered positive performance but detracted relative to the all-equity index. Common stock holdings also detracted from relative performance.
- + By country, the US was a key relative detractor as the fund had significant fixed income holdings across the US, which underperformed common stocks. A minor cash position also dragged on relative return, given the positive equity market.
- + The portfolio's holdings of Hong Kong-listed **Sun Hung Kai** and **Link REIT** detracted significantly due to local political unrest. Although both companies own high quality properties, we reduced the fund's exposure to Hong Kong in recognition of the uncertain economic and political impact of ongoing demonstrations against the local government.

Top countries	% of total net assets
United States	65.48
Japan	8.88
Germany	3.77
Hong Kong	3.59
Australia	2.89
United Kingdom	2.63
Canada	2.27
Singapore	2.24
France	1.79
Spain	1.48

REIT sector breakdown	% of total net assets
Diversified	27.73
Infrastructure	15.52
Residential	14.26
Office	13.38
Retail	6.67
Lodging/Resorts	6.39
Industrial	5.78
Health Care	5.33
Self Storage	2.62
Specialty	0.30

Investment results

Average annual total returns (%) as of Sept. 30, 2019

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 05/31/02	NAV	Inception: 03/09/07	NAV	Inception: 10/03/08	
	Max Load 5.50%		Max CDSC 1.00%			Custom Invesco Global Real Estate Income Index
Inception	7.97	8.32	3.55	3.55	7.64	-
10 Years	7.61	8.23	7.43	7.43	8.50	10.52
5 Years	4.44	5.63	4.86	4.86	5.90	6.81
3 Years	3.40	5.36	4.57	4.57	5.63	5.61
1 Year	5.40	11.57	9.74	10.74	11.87	13.00
Quarter	-2.56	3.16	2.07	3.07	3.23	4.63

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit 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. On March 12, 2007, the fund reorganized from a closed-end fund to an open-end fund. Class A share returns prior to that date are those of the closed-end fund's Common shares and include the fees applicable to Common shares. Class Y shares have no sales charge; therefore, performance is at NAV. Performance shown prior to the inception date of Class Y shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Fund performance was positively affected by a temporary 2% fee on redemptions that was in effect from March 12, 2007, to March 12, 2008. Without income from this temporary fee, returns would have been lower. 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 sources: Invesco, FactSet Research Systems Inc.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	1.25	1.25	Dom Common Stock	26.74
Class C Shares	2.00	2.00	Intl Common Stock	31.47
Class Y Shares	1.00	1.00	Dom Corp Bonds	4.16
			Dom Convert Prfd	3.48
			Dom Preferred Stock	13.71
			Intl Preferred Stock	0.52
			Mortgage Backed	17.40
			Cash	2.56
			Other	-0.04
			Intl Corp Bonds	0.00

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

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Class Y shares are available only to certain investors. See the prospectus for more information.

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

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 Custom Invesco Global Real Estate Income Index is comprised of the FTSE NAREIT All Equity REIT Index through Aug. 31, 2011, and the FTSE EPRA/NAREIT Developed Index thereafter. An investment cannot be made directly in an index.

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.

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.

Investments in real estate related instruments may be affected by economic, legal, or environmental factors that affect property values, rents or occupancies of real estate. Real estate companies, including REITs or similar structures, tend to be small- and mid-cap companies, and their shares may be more volatile and less liquid.

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.

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.