

Invesco Global Real Estate Income Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of June 30, 2020



Investment objective

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

Portfolio management

James Cowen, Paul S. Curbo, Joe V. Rodriguez, Jr., Darin Turner, Ping-Ying Wang, Mark Blackburn, Grant Jackson

Fund facts

Nasdaq	A: ASRAX	C: ASRCX
		Y: ASRYX
Total Net Assets	\$586,332,651	
Total Number of Holdings	141	
Annual Turnover (as of 08/31/19)	41%	
Distribution Accrual	Quarterly	
Distribution Frequency	Quarterly	

Top holdings

	% of total net assets
Prologis	3.54
Vonovia	3.04
Crown Castle Pfd 'A'	2.19
Digital Realty Trust	2.07
Ventas	2.06
American Homes 4 Rent Pfd 'D'	1.85
Healthpeak Properties	1.77
American Homes 4 Rent	1.75
Boston Properties	1.74
Vereit Pfd 'F'	1.74

Top contributors

	% of total net assets
1. Vonovia	3.04
2. Ventas	2.06
3. Prologis	3.54
4. Crown Castle	2.10
5. Invitation Homes	1.66

Top detractors

	% of total net assets
1. JP Morgan Chase Commercial Mortgage Securities Trust	0.00
2. Morgan Stanley BOFA CMBS Series	0.00
3. Commercial Mortgage Trust	0.00
4. Morgan Stanley BOFA CMBS Series	0.00
5. Austin Fairmont Hotel Trust	0.00

Market overview

- + Many questions remain regarding the depth of the global economic decline and the nature of recovery. During the second quarter, governments provided unprecedented levels of fiscal and monetary stimulus. Unemployment rose significantly before declining marginally in June, although government aid may be muting true conditions. Toward quarter end, governments began to relax stay-at-home policies, with some positive change in economic indicators in various regions. Increases in US virus cases have raised concerns and may slow recovery in certain states. Global government bond yields changed little during the quarter. Corporate debt and global equity prices rose. Listed real estate lagged broader equity indexes, but had a positive return, led by REITs with structural growth prospects and retail REITs that rallied from very steeply discounted valuations.
- + Global listed real estate ended the quarter trading, on average, at about a 10% discount to net asset value. This is cheaper than the long-term average, reflecting prospects for asset value weakness in some property types. Many companies have chosen to withdraw earnings guidance and/or dividends, but these should return in varying degrees as the recovery evolves. In recent weeks, companies with attractively priced capital have issued equity, which should enhance future growth.

Positioning and outlook

- + The fund remains biased toward companies with higher quality assets, operating in supply-constrained real estate markets, with generally less-leveraged balance sheets and better governance. We may also seek opportunities where the sharp decline in REIT share prices in the short term appears to have overly punished companies. Unpredictable economic and geopolitical environments suggest caution in taking active factor, country and currency exposures. As such, we are more likely to allocate risk to specific stock opportunities where attractive relative value exists. Within the broader investment context, cash flow security, discounted valuations relative to underlying assets, and the tangible nature of real estate assets appear attractive to diversified investors. On this basis, we view listed real estate as offering fair to attractive relative return opportunities at present, as part of a wider investment portfolio allocation.

Performance highlights

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

Contributors to performance

- + The portfolio's allocation to common stock and fixed income, specifically preferred stock, added to absolute and relative returns during the quarter as these securities rallied from the lows experienced in late March. From a regional standpoint, top contributors to relative return included stock selection in Hong Kong and Spain and an underweight allocation to Japan.

Detractors from performance

- + The portfolio's CMBS (commercial mortgage-backed securities) holdings detracted from absolute and relative performance, largely because we reduced CMBS exposure early in the quarter in favor of listed real estate common and preferred stock, both of which outperformed CMBS during the quarter. Regionally, the portfolio's top relative detractor was stock selection in the US. The portfolio's cash position also detracted from relative return.

Top countries	% of total net assets
United States	63.71
Japan	7.48
Germany	4.54
Hong Kong	4.18
Singapore	2.77
Australia	2.73
Canada	2.69
United Kingdom	2.62
Spain	1.84
France	1.27

REIT sector breakdown	% of total net assets
Diversified	24.15
Residential	19.34
Industrial	13.43
Infrastructure	10.51
Office	8.39
Lodging/Resorts	5.87
Retail	5.82
Health Care	4.93
Self Storage	3.87
Ind/Off/Mixed	1.54
Specialty	0.42

Investment results

Average annual total returns (%) as of June 30, 2020

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	6.71	7.04	2.15	2.15	5.75	-
10 Years	4.96	5.55	4.77	4.77	5.83	6.54
5 Years	0.57	1.71	0.93	0.93	1.96	1.27
3 Years	-2.10	-0.24	-0.97	-0.97	0.04	-1.60
1 Year	-16.59	-11.70	-13.14	-12.33	-11.40	-16.25
Quarter	2.77	8.74	7.55	8.55	8.99	10.07

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	39.74
Class C Shares	2.00	2.00	Intl Common Stock	34.59
Class Y Shares	1.00	1.00	Dom Convert Prfd	3.16
Per the current prospectus			Dom Preferred Stock	20.81
			Cash	1.42
			Other	0.28
			Dom Corp Bonds	0.00
			Intl Preferred Stock	0.00
			Mortgage Backed	0.00

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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. Financial professionals, 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.