Invesco Gold & Special Minerals Fund

Q2 2025

Key takeaways

1 **The fund had a positive total return but underperformed its benchmark**

Invesco Gold & Special Minerals Fund Class A shares at net asset value (NAV) had a positive return for the second quarter, while its benchmark, the Philadelphia Gold and Silver Index, had a higher return for the period.

2 **The mining sector enjoyed positive dynamics and outperformed the price of gold**

Amid a volatile period for global capital markets, the Philadelphia Gold & Silver Index and the NYSE Arca Gold Miners Index outperformed the price of gold in the second quarter.

3 **Portfolio repositioning**

The portfolio management team took advantage of calm market conditions in June and good performance from the gold mining sector to close positions in the most illiquid small-cap stocks and reposition the portfolio.

Investment objective

The fund seeks capital appreciation

Fund facts

Fund AUM ($M)	2,707.38

Portfolio managers

Scott Hixon, Tarun Gupta

Manager perspective and outlook

- Gold mining stocks performed well in the second quarter, compared to both gold and global equity markets.
- The fundamentals leading to gold's strong performance still appear to be in place: geopolitical concerns, along with worries about the weakened US dollar. Furthermore, a reshaping of global trade and a renewed focus on strategic national interests appear to have spurred greater interest in mining companies.
- The Philadelphia Gold and Silver Index had a total return of 16.50% for the quarter, compared with gold, which rose 5.75% in price. For the first half of 2025, the index returned 51.06%, compared to 25.86% for gold, an outperformance of 25.20%. For context, global equities, as measured by the MSCI ACWI Net Total Return Index, had a year-to-date return of 10.05%.
- Proposed US tariffs and trade tensions among major global trading partners have in our view highlighted the importance of special minerals. The US administration has made clear its intent to favor mining activities within the US in order to reduce the country's dependence on imported raw materials that play critical roles in supply chains for strategic industries such as semi-conductors, defense and energy.
- The nature of the gold mining sector has remained highly volatile. Although fundamentals appear supportive, particularly broader macroeconomic themes and company-level dynamics, a reversal of recent strong performance is possible.

Top issuers
(% of total net assets)

	Fund	Index
Newmont Corp	11.60	8.28
Agnico Eagle Mines Ltd	11.24	7.55
Kinross Gold Corp	4.67	3.97
Barrick Mining Corp	4.64	8.14
Wheaton Precious Metals Corp	4.56	7.75
Franco-Nevada Corp	4.44	3.64
Anglogold Ashanti Plc	4.34	3.89
Gold Fields Ltd	4.28	2.49
Northern Star Resources Ltd	3.45	0.00
Evolution Mining Ltd	2.48	0.00

As of 06/30/25. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

During the first quarter, Invesco announced that portfolio manager Shanquan Li, who had managed the fund since 1997, would retire from Invesco toward the end of the second quarter. To ensure a smooth transition, Shanquan worked closely with the newly appointed portfolio managers and handed over the full responsibility of managing the fund during the month of June. In conjunction with this transition, Invesco has increased resources for the fund, and the investment process has been updated. Toward quarter end, the investment team took advantage of favorable market conditions to reposition the portfolio. Tariff announcements had caused market volatility in April, but markets became calmer in June. During the quarter, gold mining stocks benefited from:

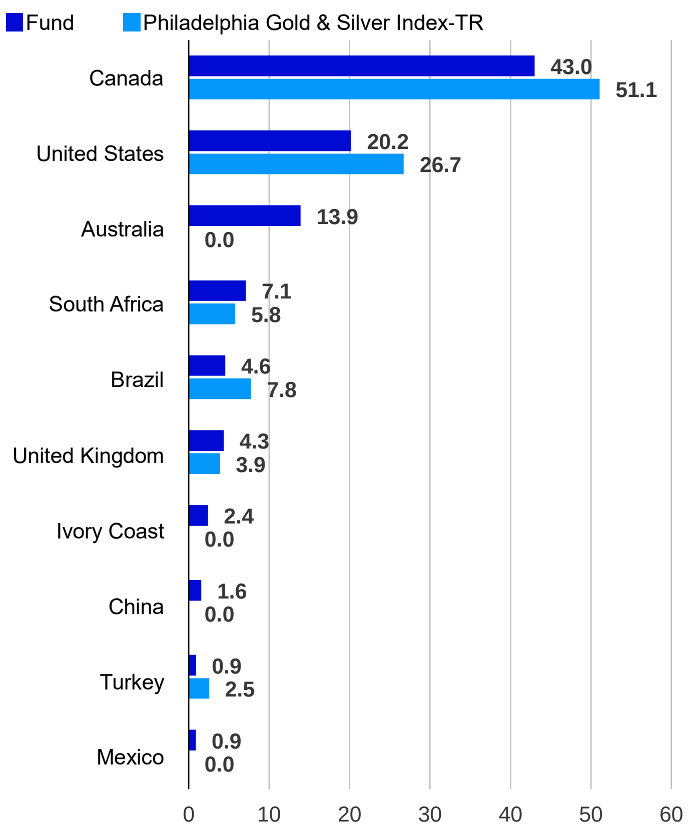
i) the perception of gold as a countercyclical asset during a period marked by geopolitical concerns, including wars in the Middle East and Ukraine

ii) a decline in the value of the US dollar compared to other major currencies as confidence in the dollar has been tested due to higher US borrowing requirements

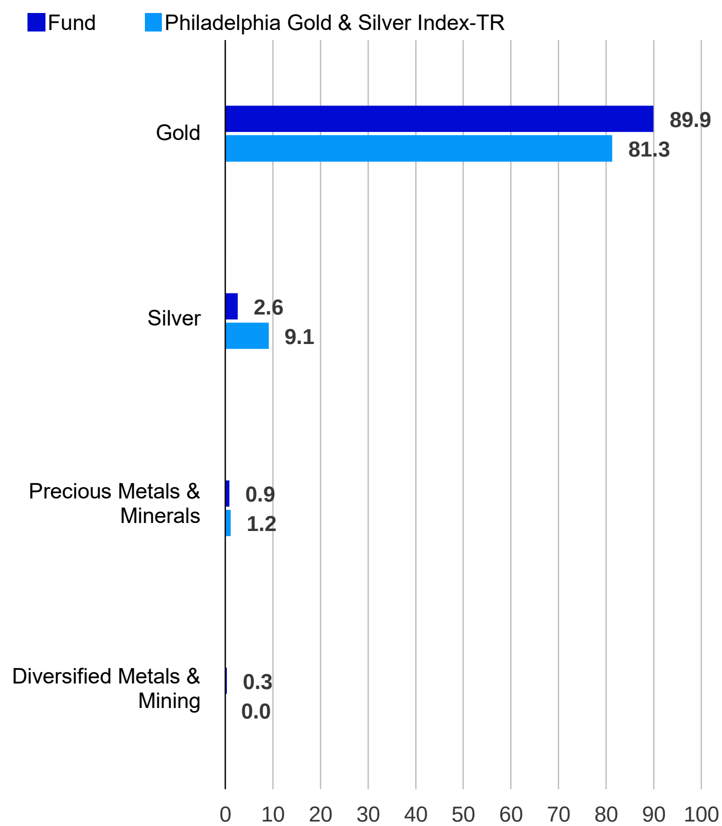
iii) favorable company-level dynamics for mining companies that have raised large amounts of capital in recent years to fund potential merger & acquisition activity, along with new mining projects at a time when governments have been making mining a key priority in order to boost strategic independence in resources critical to supply chains

Given these conditions, the team saw an opportunity to reduce exposure to smaller cap stocks – some of which had delivered gains – and to broadly reposition the portfolio with the goal of maximizing potential returns while controlling for risk.
The investment team follows a systematic investment process that seeks to select companies with favorable growth indicators and solid financial metrics, while not overpaying for such stocks. Based on its experience over the past decades, the investment team believes a disciplined approach using these criteria can identify securities that have been mispriced due to the market's collective tendency to stray away from fundamentals. The team uses proprietary datasets that are refreshed frequently to ensure the fund adapts to rapidly changing market conditions.
Heading into the third quarter, the fund is well-diversified across precious and other metals and geographic regions.

Top countries (% of total net assets)



Top industries (% of total net assets)



Top contributors (%)

Issuer	Return	Contrib. to return
Artemis Gold, Inc.	52.70	1.64
Newmont Corporation	21.24	1.45
OceanaGold Corporation	41.11	1.27
K92 Mining Inc.	30.55	0.94
New Gold Inc.	33.42	0.79

Top detractors (%)

Issuer	Return	Contrib. to return
Bellevue Gold Limited	-15.94	-0.29
Equinox Gold Corp.	-16.02	-0.15
Ivanhoe Mines Ltd.	-7.19	-0.13
Harmony Gold Mining Company Limited	-9.11	-0.06
A-Mark Precious Metals, Inc.	-14.15	-0.06

Performance highlights

Invesco Gold & Special Minerals Fund Class A shares at net asset value returned 13.90% in the second quarter, while the Philadelphia Gold and Silver Index returned 16.50%.

Contributors to performance

The top five contributors to absolute return in the second quarter were **Artemis Gold**, **Newmont**, **OceanaGold**, **K92 Mining** and **New Gold**.

Most notably, **Artemis Gold** and **Newmont** returned 52.70% and 21.23%, respectively, while **OceanaGold** returned 41.11% for the quarter, contributing 1.64%, 1.45% and 1.27% to absolute return, respectively.

Detractors from performance

The five largest detractors from absolute return during the quarter were **Bellevue Gold**, **Equinox Gold**, **Ivanhoe Mines**, **Harmony Gold Mining Company** and **A-Mark Precious Metals**.

Bellevue Gold had the largest negative effect on absolute return, subtracting 0.29%, followed by Equinox Gold and Ivanhoe Mines, which detracted 0.15% and 0.13%, respectively.

Standardized performance (%) as of June 30, 2025

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 07/19/83	NAV	13.90	44.92	51.22	23.80	9.04	13.36	6.86
	Max. Load 5.5%	7.64	36.97	42.92	21.48	7.82	12.72	6.72
Class R6 shares inception: 10/26/12	NAV	14.03	45.22	51.85	24.31	9.48	13.83	2.45
Class Y shares inception: 09/07/10	NAV	13.99	45.12	51.64	24.11	9.30	13.63	1.40
Philadelphia Gold & Silver Index-TR		16.50	51.06	51.89	25.00	11.64	13.93	-
Total return ranking vs. Morningstar Equity Precious Metals category (Class A shares at NAV)		-	-	75% (54 of 67)	63% (41 of 65)	38% (28 of 64)	17% (8 of 58)	-

Expense ratios per the current prospectus: Class A: Net: 1.10%, Total: 1.10%; Class R6: Net: 0.69%, Total: 0.69%; Class Y: Net: 0.86%, Total: 0.86%.

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 sources: Invesco, 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	-23.14	48.74	17.19	-13.15	46.37	36.11	-2.87	-16.86	6.36	13.06
Class R6 shares at NAV	-22.79	49.39	17.62	-12.76	46.97	36.64	-2.46	-16.55	6.82	13.47
Class Y shares at NAV	-22.95	49.18	17.37	-12.90	46.67	36.39	-2.62	-16.66	6.66	13.30
Philadelphia Gold & Silver Index-TR	-33.46	74.92	8.91	-16.41	52.57	36.03	-6.46	-6.86	6.02	10.82

Portfolio characteristics*

	Fund	Index
No. of holdings	66	30
Top 10 issuers (% of AUM)	55.19	59.95
Wtd. avg. mkt. cap ($M)	27,064	27,330
Price/earnings	19.22	21.13
Price to book	2.54	2.27
Est. 3 – 5 year EPS growth (%)	22.96	26.80
ROE (%)	13.29	9.86
Long-term debt to capital (%)	13.26	15.71
Operating margin (%)	33.31	32.71

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-1.75	0.00
Beta	0.94	1.00
Sharpe ratio	0.21	0.29
Information ratio	-0.30	0.00
Standard dev. (%)	30.33	30.91
Tracking error (%)	8.68	0.00
Up capture (%)	82.03	100.00
Down capture (%)	98.88	100.00
Max. drawdown (%)	41.10	38.75

Quarterly performance attribution

Industry performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Coal & Consumable Fuels	0.32	0.00	0.32
Copper	-0.22	0.00	-0.22
Distributors	-0.08	0.00	-0.08
Diversified Metals & Mining	-0.65	0.00	-0.65
Gold	0.04	2.71	2.75
Precious Metals & Minerals	-0.08	-0.02	-0.10
Silver	0.45	-0.08	0.38
Steel	0.00	0.00	0.00
Other	0.00	0.00	0.00
Other	-0.02	0.00	-0.02
Cash	-0.35	0.00	-0.35
Total	**-0.14**	**2.16**	**2.02**

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 06/30/25. Unless stated otherwise, Index refers to Philadelphia Gold & Silver Index-TR.

The Philadelphia Gold & Silver Index is composed of gold and silver mining companies traded on the Philadelphia Stock Exchange.

About Risk

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.

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.

An investment in exchange-traded funds (ETFs) may trade at a discount to net asset value, fail to develop an active trading market, halt trading on the listing exchange, fail to track the referenced index, or hold troubled securities. ETFs may involve duplication of management fees and certain other expenses. Certain of the ETFs the fund invests in are leveraged, which can magnify any losses on those investments.

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. Developing markets may especially be volatile.

The performance of an investment concentrated in issuers of a certain region or country is expected to be closely tied to conditions within that region and to be more volatile than more geographically diversified investments.

Fluctuations in the price of gold and precious metals may affect the profitability of companies in the gold and precious metals sector.

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

The Fund's value may be affected by changes in the stock markets. Stock markets may experience significant short-term volatility and may fall or rise sharply at times. Adverse events in any part of the equity or fixed-income markets may have unexpected negative effects on other market segments. Different stock markets may behave differently from each other and U.S. stock markets may move in the opposite direction from one or more foreign stock markets.

Investments focused in a particular industry or sector are subject to greater risk, and are more greatly impacted by market volatility, than more diversified investments.

The investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

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.
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

 Past performance is no guarantee of future results. Open-end mutual funds and exchange-traded funds are considered a single population for comparison purposes. Had fees not been waived and/or expenses reimbursed currently or in the past, the ranking would have been lower. Rankings for other share classes may differ due to different performance characteristics.

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.