

# Emerging Market Equities

## Investing in Exceptional Companies for the Long Term

### Quick Facts

Despite the near-term challenges that equities have been facing, we believe that in the long term, a backdrop of a recovery in EM growth, a weaker US dollar and continued low global rates are favorable for EM equities. Continued structural reform, a larger pipeline of consumer and new economy IPOs along with opportunities in fintech, e-commerce and O2O (online to offline) in Southeast Asia and Latin America present compelling long-term opportunities for investors.

### Morningstar Rating™

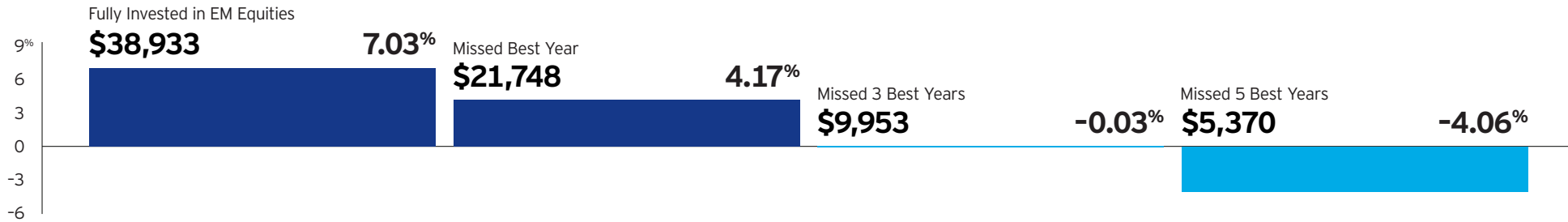


Class A shares were rated 4 stars overall among 695 Diversified Emerging Markets funds. Morningstar measures risk-adjusted returns. The overall rating is a weighted average based on the fund's 3-, 5-, and 10-year rating as of 9/30/20.<sup>1</sup>



Emerging markets over the last few years have been volatile and have underperformed their developed market counterparts. As such, investors are beginning to allocate away from emerging market equities until a sustainable recovery is seen. By doing so, investors may be missing out on maximizing their return potential.

### Trying to time EM equities (2000-2019)<sup>2</sup>



### Higher Quality Outperforms Over the Long Term<sup>3</sup>

While lower-quality names have historically had periods of strong performance, higher-quality companies have outperformed over the long term. We believe that owning high-quality, exceptional companies is the best way to access long-term growth in emerging market equities.

#### Annualized return: 2000-2020



### Identifying Exceptional Companies

#### What we look for

- + Sustainable competitive advantages
- + Have innovative products or unique assets
- + Have real options that manifest over time
- + Strong long-term financial performance
- + Strong and shareholder-friendly management teams

#### What we avoid

- + Mean reversion/pattern recognition
- + Capital-intensive, cyclical industries
- + Companies without sustainable advantage
- + Product cycle/gadgets
- + State-owned businesses or other governance conflicts

### Invesco Developing Markets Fund Performance

#### Average annual total returns as of September 30, 2020

	1 Year	3 Year	5 Year	10 Year
Class A Shares at NAV	10.16%	4.09%	10.11%	4.00%
<b>Class A Shares w/ 5.50% max. load</b>	<b>4.11</b>	<b>2.15</b>	<b>8.87</b>	<b>3.41</b>
Class Y Shares	10.45	4.35	10.38	4.29
Class R6 Shares	10.60	4.51	10.56	-
MSCI EM Index	10.54	2.42	8.97	2.50

Annual Expense Ratios: A Shares Gross: 1.24%, Y Shares Gross: 1.00%, R6 Shares Gross: 0.83%. Performance quoted is past performance, and cannot guarantee comparable future results. Current performance and/or expenses may be higher or lower. Visit [invesco.com](http://invesco.com) for the most recent month-end performance. Investment returns and principal value will vary; you may have a gain or loss when you sell shares. Performance figures reflect reinvested distributions and changes in share price and the effect of the max. sales charge unless otherwise stated. Class A (with sales charge) returns reflect a 5.50% max. sales charge. Class R6 and Y shares are not subject to sales charge. Fund performance reflects fee waivers, absent which, performance data quoted would have been lower. Total annual fund operating expenses after any contractual fee waivers and/or expense reimbursements by the adviser in effect through May 28, 2021. See current prospectus for more information. 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. Class I shares were reorganized into Class R6 shares. R6 shares are primarily intended for retirement plans that meet certain standards and for institutional investors. Y shares are generally intended for certain investors, such as wrap-fee based programs or commissionable brokerage platforms that charge sales commission.

Effective September 30, 2020, Invesco Oppenheimer Developing Markets Fund was renamed Invesco Developing Markets Fund.

<sup>1</sup> Morningstar ratings are based on a risk-adjusted return measure that accounts for variation in a fund's monthly performance, placing more emphasis on the downward variations and rewarding consistent performance. Open-end mutual funds and exchange-traded funds are considered a single population for comparison purposes. Ratings are calculated for funds with at least a three-year history. The overall rating is derived from a weighted average of three-, five- and 10-year rating metrics, as applicable, excluding sales charges and including fees and expenses. Had fees not been waived and/or expenses reimbursed currently or in the past, the Morningstar rating would have been lower. Class A shares received 4 stars for the overall, 4 stars for the three years, 4 stars for the five years and 4 stars for the 10 years. The fund was rated among 695, 695, 590, and 264 funds within the Morningstar Diversified Emerging Markets category of the overall period, three, five and 10 years, respectively. Morningstar ratings are as of September 30, 2020, the most recent data available, and are subject to change every month. The top 10% of funds in a category receive five stars, the next 22.5% four stars, the next 35% three stars, the next 22.5% two stars and the bottom 10% one star. Ratings for other share classes may differ due to different performance characteristics. ©2020 Morningstar, Inc. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers. It may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance cannot guarantee comparable future results. <sup>2</sup> Source: Morningstar Inc., as of 12/31/19. Daily gross returns history available from 12/31/98. Returns are for illustrative purposes and are based on the MSCI EM Index. Investors cannot invest in an index and performance is not a guarantee of future results. The MSCI Emerging Markets Index captures large- and mid-cap representation across 24 Emerging Markets (EM) countries. With 1,138 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. <sup>3</sup> Source: Morningstar Inc., as of 9/30/20. Monthly Returns. Index returns do not represent fund returns. An investor cannot invest directly in an index. <sup>4</sup> MSCI EM Quality Index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage.

# Invesco Developing Markets Fund<sup>5</sup>

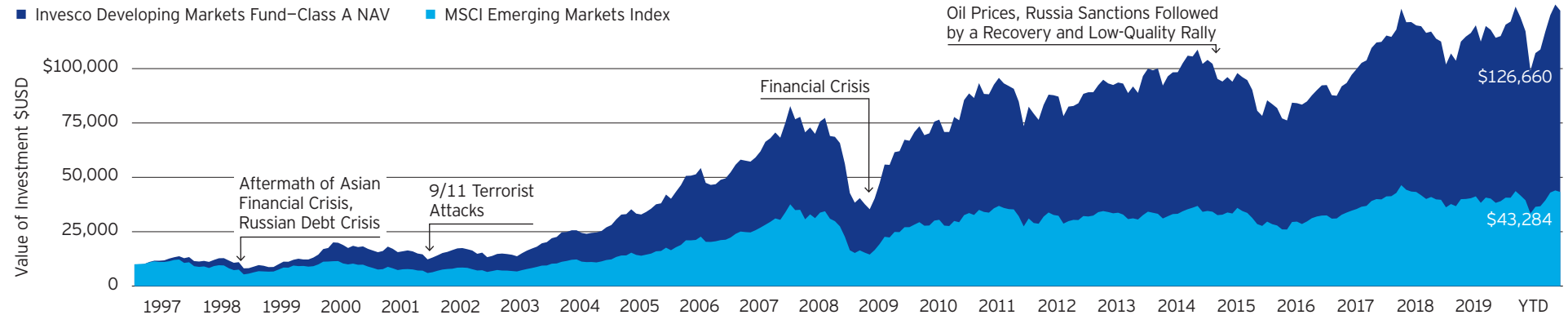
A: ODMAX C: ODVCX Y: ODVYX<sup>6</sup> R6: ODVIX

## Quick Facts

Since its inception in 1996, the fund has consistently provided compelling, absolute, and relative performance for investors. The fund remains one of the largest actively managed emerging market equity funds in the world<sup>7</sup> and has generated returns across all market capitalizations of emerging market stocks. The fund seeks capital appreciation and typically invests in emerging and developing market stocks.



## Growth of \$10,000 (11/18/96-9/30/20)



Class A Share Calendar Year Percentile Rank <sup>8</sup>	6th	15th	21st	1st	71st	19th	17th	5th	6th	97th	66th	14th	21st	9th	32nd	24th	14th	72nd	50th	58th	51st	16th	23rd	47th
Class A Share Calendar Year Absolute Rank <sup>9</sup>	#8/128	#23/154	#35/167	#1/170	#132/187	#37/196	#32/187	#10/201	#12/215	#237/245	#185/282	#45/316	#78/369	#33/385	#142/437	#134/555	#87/639	#551/766	#430/858	#454/784	#436/806	#98/836	#223/835	#448/808

Past performance is no guarantee of future results.

## Compelling Historical Performance vs. Peers: Rolling Percentile Rankings<sup>9</sup>

Using **10-year monthly rolling** percentile rankings within the Morningstar Diversified Emerging Markets category,

**98%**

of the time, Invesco Developing Markets Fund has been in the top quartile.

Using **5-year monthly rolling** percentile rankings within the Morningstar Diversified Emerging Markets category,

**75%**

of the time, Invesco Developing Markets Fund has been in the top quartile.

<sup>5</sup> As of the open of business on April 12, 2013, Invesco Developing Markets Fund limited public sales of its shares to new investors. For more information on who may continue to invest in the fund, please see the prospectus.

<sup>6</sup> Not all share classes are available to all investors; Y shares are only available to certain investors.

<sup>7</sup> Source: Morningstar Inc. As of 9/30/20, Invesco Developing Markets Fund ranked in the top 10 of funds within the Morningstar Diversified Emerging Markets category by assets under management.

<sup>8</sup> Source: Morningstar Inc., as of 9/30/20. **Fund percentile rankings are based on total return, excluding sales charges and including fees and expenses versus all funds in the Morningstar category.** 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.

<sup>9</sup> Source: Morningstar Inc., as of 9/30/20. Ranking is for Class A shares. Rankings are based on the absolute return within the Morningstar Diversified Emerging Markets category.

**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. The risks of investing in securities of foreign issuers, including emerging market issuers, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues. 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. 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.

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.

**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 financial professionals for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](http://invesco.com/fundprospectus).**