

Invesco Core Bond Fund[®]

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Sept. 30, 2020



Investment objective

The fund seeks total return.

Portfolio management

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Fund facts

Total Net Assets	\$1,777,542,560
Total Number of Holdings	641

Fund characteristics

Effective Duration	6.08
WAM (years)	5.89

Credit quality breakdown (% total)¹

Cash	14.27
AAA	38.94
AA	5.48
A	13.07
BBB	27.72
BB	0.10
CCC and below	0.30
Not Rated	0.12

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

- + US bonds, as measured by the Bloomberg Barclays US Aggregate Bond Index, delivered a positive return for the quarter. Bonds continued to recover from volatility earlier in the year, bolstered by improving economic data and ongoing support from the Federal Reserve, but optimism has faded slightly as COVID-19 cases continue to plague parts of the globe.
- + The Fed committed to keep interest rates low until at least 2023 in an effort to drive inflation higher, but it still anticipates lasting negative implications for the US labor market.
- + On the fiscal front, a second stimulus package for Americans appears to be stalled in Congress and may be on hold until after the November election.
- + US interest rate moves subtly affected fixed income valuations during the quarter. The 2-year Treasury yield fell from 0.16% to 0.13%, while the 10-year rose from 0.66% to 0.69% and the 30-year from 1.41% to 1.46%. The yield curve, as measured by the yield differential between the 2-year and the 30-year, steepened slightly during the quarter.
- + Demand for investment grade corporate credit remains strong as evidenced by the \$370 billion of supply issued in the quarter. August and September had record tender levels of \$30 billion and \$40 billion, respectively, as companies refinanced in order to unburden themselves from higher coupon debt.
- + The asset-backed (ABS) and commercial mortgage-backed (CMBS) securities sectors outperformed duration-matched Treasuries. The Agency mortgage-backed securities (MBS) sector underperformed as investors sought more attractive yield levels.

Positioning and outlook

- + Over the short term, several uncertainties and risks are likely to weigh on markets:
- + The US election may be contested and very well could take a while to determine a result. Though there are pluses and minuses for each administration from the overall market's perspective, this uncertainty and volatility is a headwind for markets.
- + There appears to be a second COVID-19 wave beginning in Europe and a renewed pickup in some US states, while many emerging market countries have not yet been able to control the COVID-19 outbreak.
- + There is a temporary lull in policymaker engagement. Further fiscal support that was expected in the US is now unlikely due to the ongoing partisan battle in Washington. Regarding monetary support, the Fed announced its switch to a new average inflation targeting framework, but the Fed is not urgently looking to provide more support.
- + In terms of fund positioning, we expect to maintain a higher quality focus, favoring investment grade over high-yield as the technical environment (supply/demand balance) remains supportive. We expect to use high quality structured assets and believe higher quality residential mortgage-backed securities (RMBS) may continue to perform well. Valuations on emerging market debt are not cheap, but yields remain attractive. Taxable municipal debt represents a high quality asset class for which specific market technicals remain favorable.

Performance highlights

- + Invesco Core Bond Fund Class A shares at net asset value (NAV) rose for the third quarter and outperformed its benchmark, the Bloomberg Barclays US Aggregate Bond Index. (Please see the investment results table on page 2 for fund and index performance).

Contributors to performance

- + Allocations to lower rated investment grade bonds, rated BBB, particularly within the consumer cyclical and consumer non-cyclical sub-sectors, contributed to relative performance.
- + Security selection in the insurance, banking and technology subsectors added to relative return.

Detractors from performance

- + The fund's overall duration/yield curve positioning slightly detracted from relative return.
- + An overweight in the energy subsector and an underweight in the financial companies subsector dampened relative performance.

Expense ratios	% net	% total
Class A Shares	0.75	0.82
Class C Shares	1.56	1.58
Class Y Shares	0.45	0.58

Per the current prospectus

Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least May 31, 2021 and contractual management fee waivers in effect through at least June 30, 2021. See current prospectus for more information.

Investment categories (%)

Government Bonds

US Treasuries	6.39
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Corporate Bonds

US Investment Grade Bonds	29.22
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US High Yield Bonds	0.09
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Securitized Debt

US Residential Mortgages	24.33
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US CMBS	6.61
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US Asset-Backed Securities	12.16
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Municipal Bonds	0.47
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US Dollar Denominated Foreign Debt

Non-US Investment Grade Bonds	5.33
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Emerging Markets Debt	1.12
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Cash	14.27
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May not equal 100% due to rounding.

Investment results

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

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 04/15/88		Inception: 07/11/95		Inception: 04/27/98	
	Max Load 4.25%	NAV	Max CDSC 1.00%	NAV	NAV	Bloomberg Barclays U.S. Aggregate Bond Index
Inception	4.45	4.59	3.12	3.12	3.31	-
10 Years	4.16	4.61	3.78	3.78	4.88	3.64
5 Years	3.66	4.56	3.69	3.69	4.86	4.18
3 Years	4.08	5.58	4.69	4.69	5.91	5.24
1 Year	3.65	8.22	6.22	7.22	8.58	6.98
Quarter	-3.33	1.00	-0.30	0.66	1.09	0.62

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. 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. 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.

For more information you can visit us at www.invesco.com/us

1 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. If securities are rated differently by the rating agencies, the higher rating is applied. 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 the rating methodology, please visit www.standardandpoors.com and select 'Understanding Ratings' under Rating Resources on the homepage; www.moodys.com and select 'Rating Methodologies' under Research and Ratings on the homepage; www.fitchratings.com and select 'Ratings Definitions' on the homepage.

■ Effective September 30, 2020, the Invesco Oppenheimer Total Return Bond Fund was renamed Invesco Core Bond Fund. Please see the prospectus for additional information.

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

The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market. An investment cannot be made directly in an index.

Effective duration is a modified duration calculation which incorporates the expected duration-shortening effect of an issuer's embedded call provision.

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.

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.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

Obligations issued by US Government agencies and instrumentalities may receive varying levels of support from the government, which could affect the fund's ability to recover should they default.

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.

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.

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.