

# Invesco Equally-Weighted S&P 500 Fund

## Quarterly Performance Commentary

Mutual Fund Retail Share Classes  
Data as of Dec. 31, 2022



### Investment objective

The fund seeks total return through growth of capital and current income.

### Portfolio management

Pratik Doshi, Peter Hubbard, Michael Jeanette, Tony Seisser

### Fund facts

Nasdaq	A: VADAX	C: VADCX Y: VADDX
Total Net Assets	\$6,267,948,171	
Total Number of Holdings	505	

Top holdings	% of total net assets
Halliburton	0.24
APA	0.23
Align Technology	0.23
Schlumberger	0.23
Omnicom	0.22
Generac	0.22
Baker Hughes	0.22
Marathon Petroleum	0.22
Hess	0.22
Universal Health Services 'B'	0.22

Top contributors	% of total net assets
1. Halliburton	0.24
2. Universal Health Services	0.22
3. Schlumberger	0.23
4. Moderna	0.21
5. Boeing	0.22

Top detractors	% of total net assets
1. Tesla	0.14
2. Generac	0.22
3. Catalent	0.20
4. SVB Financial	0.21
5. Amazon	0.19

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

### Market overview

+ US equity markets posted gains for the fourth quarter as better inflation data sparked a rally in October and November. However, Federal Reserve remarks sent equities lower in December and US stocks ended the year with their worst annual return since 2008. As energy prices fell, the inflation rate slowed in the fourth quarter. Meanwhile, estimates of third quarter real GDP (gross domestic product) growth were higher than anticipated. The unemployment rate rose during the quarter, but the overall labor market remained

tight. Corporate earnings generally met expectations, though future guidance was cautious. With inflation still at multi-decade highs and little evidence of a slowing economy, the Fed raised the target federal funds rate by 0.75% in November and by 0.50% in December, marking its highest level in over a decade. The Fed indicated rates would remain higher until it is "confident" that inflation is under control. Against this backdrop, the S&P 500 Index returned 7.56% in the fourth quarter and -18.11% for 2022.

### Positioning and outlook

+ The fund invests in a diversified portfolio of common stocks represented in the S&P 500 Index. The fund generally invests in each stock included in the S&P 500 in approximately equal proportions. Buy and sell decisions are not made by the management team. The S&P 500 Equal Weight Index dictates buy and sell decisions.

equal weight in the constituents of the S&P 500 Equal Weight Index.

+ The fund achieved its objective by maintaining an

+ The index is typically rebalanced quarterly. As always, we caution investors against making investment decisions based on short-term performance and recommend that you consult a financial advisor to discuss your individual financial program.

### Performance highlights

- + The fund's Class A shares at net asset value (NAV) outperformed the S&P 500 Index for the third quarter. (Please see the investment results table on page 2 for fund and index performance.)
- + All sectors contributed to the fund's absolute return in the fourth quarter. Within the index, the industrials sector was the largest absolute contributor, followed by health care and financials.
- + The majority of the fund's outperformance of its benchmark resulted from individual stock weightings within the consumer discretionary sector and an underweight position and stock selection in the information technology sector.
- + The fund's allocation to smaller capitalization stocks within the index added to relative return as these stocks held up better than larger and mega capitalization stocks.

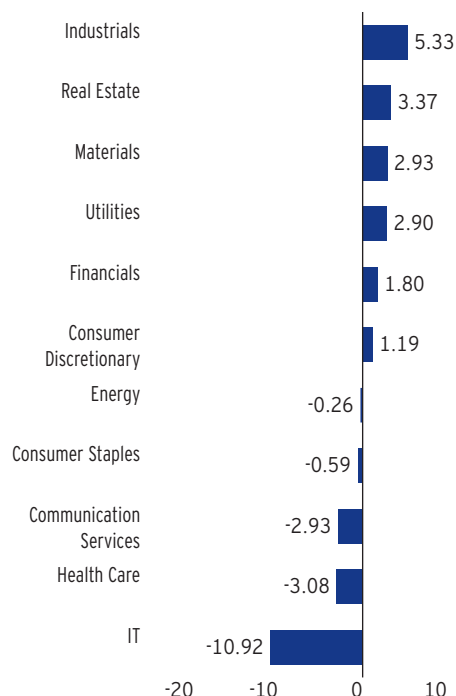
### Contributors to performance

- + **Halliburton**, an energy company, was the largest individual contributor to absolute return. The company reported quarterly earnings that beat analyst estimates and management released guidance for another solid quarter.
- + **Universal Health Services**, a health care company, was also a notable contributor. The company reported better-than-expected earnings and positive growth trends, most notably within the company's behavioral segment.

### Detractors from performance

- + **Tesla**, a consumer discretionary company, was the largest individual detractor from the fund's absolute return. **Tesla's** stock price fell as the company announced third quarter revenue that was below analyst expectations. Additionally, analyst concerns about Elon Musk's takeover of Twitter created negative sentiment toward **Tesla**.
- + **Generac**, an industrials company, was another large detractor as shares tumbled after the company cut its forecast for full year sales growth.

**The fund's positioning versus the S&P 500 Index**  
(% underweight/overweight)



**Investment results**

Average annual total returns (%) as of Dec. 31, 2022

Period	Class A Shares		Class C Shares		Class Y Shares	Broad-Based Index
	Inception: 07/28/97	NAV	Inception: 07/28/97	NAV	Inception: 07/28/97	
Inception	8.64	8.88	8.62	8.62	9.14	-
10 Years	11.15	11.78	11.13	11.13	12.06	12.56
5 Years	7.33	8.55	7.76	7.76	8.82	9.42
3 Years	6.41	8.44	7.64	7.64	8.70	7.66
1 Year	-16.83	-11.99	-13.44	-12.63	-11.78	-18.11
Quarter	5.34	11.46	10.27	11.27	11.52	7.56

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.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.

Index source: FactSet Research Systems Inc.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	0.53	0.53	Dom Common Stock	98.97
Class C Shares	1.28	1.28	Intl Common Stock	0.78
Class Y Shares	0.28	0.28	Cash	0.18
Per the current prospectus			Other	0.07

For more information you can visit us at [www.invesco.com/us](https://www.invesco.com/us)

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

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.

Diversification does not guarantee a profit or eliminate the risk of loss.

The S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

The S&P 500 Equal Weight Index is the equally weighted version of the S&P 500® Index. 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.

Because the fund operates as a passively managed index fund, adverse performance of a particular stock ordinarily will not result in its elimination from the fund's portfolio. Ordinarily, the Adviser will not sell the fund's portfolio securities except to reflect changes in the stocks that comprise the S&P 500 Index, or as may be necessary to raise cash to pay fund shareholders who sell fund shares.

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.

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 financial professionals 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.