

Invesco Small Cap Growth Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Sept. 30, 2022



Limited Offering

Investment objective

The fund seeks long-term growth of capital.

Portfolio management

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Fund facts

Nasdaq
A: GTSAX C: GTSDX
Investor: GTSIX Y:
GTSYX

Total Net Assets \$2,271,050,630

Total Number of Holdings 115

Top holdings % of total net assets

LPL Financial	1.94
Clean Harbors	1.76
Valmont	1.76
Iridium Communications	1.68
AECOM	1.65
Evoqua Water Technologies	1.60
Halozyne Therapeutics	1.55
WESCO	1.47
Repligen	1.43
Morningstar	1.31

Top contributors % of total net assets

1. Chemocentrx	0.78
2. Calix	1.17
3. Wingstop	1.08
4. LPL Financial	1.94
5. Clean Harbors	1.76

Top detractors % of total net assets

1. Syneos Health	0.00
2. Mercury Systems	0.63
3. Littelfuse	1.02
4. Mesa Laboratories	0.57
5. Omnicell	0.68

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

Market overview

- + Despite a brief summer rally, stocks traded sharply lower in the third quarter, particularly following comments from US Federal Reserve Chair Jerome Powell in August that indicated further monetary policy tightening.
- + Though energy prices fell during the quarter, the Consumer Price Index (CPI) remained at a multi-decade high, rising by 8.3% for the 12 months ending in August, far above the Fed's annual inflation target.
- + Complicating matters, a tight labor market boosted wage and job growth, with the 3.7% US unemployment rate still near record lows.
- + In July and again in September, the Fed raised the benchmark federal funds rate by 0.75%. This forceful action deflated investors' hopes for a pause in rate hikes during the second half and increased the likelihood of a US recession.
- + In this environment, equities and fixed income instruments broadly declined, with the S&P 500 Index returning -4.88%.

Positioning and outlook

- + The war in Ukraine has continued to drive market uncertainty and persistent inflationary pressure.
- + The Fed continues to raise interest rates to combat inflation, resulting in a slowdown in housing and tighter financial conditions.
- + In our view, the US economy is in a recession already, but we expect the Fed will maintain its course of monetary tightening despite the weakening economy.
- + We anticipate earnings expectations to decline further as we enter the final quarter of 2022 and our overall outlook remains bearish. In this environment, we have repositioned the fund into stable revenue and energy stocks and away from long duration growth and cyclical revenue stocks.

Performance highlights

- + The fund's Class A shares at net asset value (NAV) had a negative return for the quarter and underperformed the Russell 2000 Growth Index. (Please see the investment results table on page 2 for fund and index performance.)
- + Leading detractors included stock selection in the health care, materials and consumer staples sectors. The portfolio's ancillary cash position was a drag on relative performance as well.
- + Stock selection in several sectors added to relative results, including the information technology (IT), financials, real estate, communication services, consumer discretionary, industrials and energy sectors. An underweight in the real estate sector also added to relative performance.

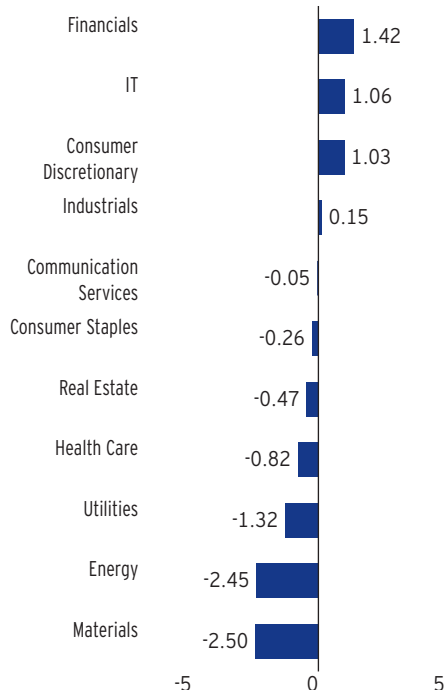
Contributors to performance

- + **Chemocentrx's** share price rallied during the quarter after Amgen (not a fund holding) announced a buyout offer for a whopping 116% premium over the most recent closing share price before the announcement. The deal is expected to close in the fourth quarter of 2022, giving Amgen the recently FDA-approved ANCA-associated vasculitis drug, Tavneos, and a few additional drugs still in the development stage.
- + **Wingstop** rallied during the quarter after delivering better-than-expected earnings results with double-digit revenue and profit growth. Declining food costs in the near term are expected to benefit the fast-food chain's profitability. Additionally, **Wingstop** added 12 new chicken sandwiches to its menu. These have been well received, selling out in a matter of days after the initial launch.
- + **Calix** benefited from strong second quarter results with earnings and revenue that surpassed analyst estimates.

Detractors from performance

- + **Syneos Health** experienced weakness during the quarter due to declining biotechnology funding, which is causing concerns about bookings. **Syneos** is expected to win less new business in the third quarter than was previously expected. As a result, we sold the fund's position.
- + **Mercury Systems'** most recent earnings report indicated that supply chain headwinds, including semiconductor shortages, and cost pressures resulted in growth that was lower than expectations, causing the stock to sell off during the quarter.
- + **Mesa Laboratories** has faced selling pressure due to execution issues related to material, transport and labor costs in several of its business lines.

The fund's positioning versus the Russell 2000 Growth Index (% underweight/overweight)



Investment results

Average annual total returns (%) as of Sept. 30, 2022

Period	Class A Shares		Class C Shares		Investor Class Shares	Class Y Shares	Style-Specific Index	Russell 2000 Growth Index
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	NAV		
Inception	9.37	9.60	7.79	7.79	7.64	10.45	-	-
10 Years	8.93	9.55	8.88	8.88	9.58	9.82	8.81	8.81
5 Years	3.37	4.55	3.78	3.78	4.60	4.81	3.60	3.60
3 Years	2.16	4.11	3.36	3.36	4.18	4.37	2.94	2.94
1 Year	-41.78	-38.39	-39.10	-38.82	-38.34	-38.20	-29.27	-29.27
Quarter	-5.74	-0.27	-1.39	-0.40	-0.20	-0.17	0.24	0.24

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. The Investor Class shares have no sales charge; therefore, performance is at NAV. 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	1.14	1.14	Dom Common Stock	91.35
Class C Shares	1.86	1.86	Intl Common Stock	4.46
Investor Class Shares	1.05	1.05	Cash	4.17
Class Y Shares	0.89	0.89	Other	0.02

Per the current prospectus

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

The fund has limited public sales of its shares to certain investors. For more information on who may continue to invest in the fund, please see the prospectus.

Class Y shares and Investor Class 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.

Please keep in mind that high, double-digit returns are highly unusual and cannot be sustained.

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 Russell 2000® Growth Index is an unmanaged index considered representative of small-cap growth stocks. The Russell 2000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index.

About risk

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

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

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.

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.