Invesco Multi-Asset Income Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Sept. 30, 2019

Investment objective

The fund seeks to provide current income.

Portfolio management

Scott Wolle, Mark Ahnrud, Chris Devine, Scott Hixon, Peter Hubbard, Christian Ulrich

Fund facts

Total Net Assets	$732,097,074
Total Number of Holdings	752

Fund characteristics

Effective Duration	5.26
Distribution Frequency	Monthly

Investment categories (%)

High Yield	23.91
Emerging Market Debt	17.37
Preferreds	20.73
US Treasuries	7.11
US Mortgage REITs	9.24
US REITs	9.24
US MLPs	9.24
Tactical Stocks	22.38
Tactical Bonds	11.68
Cash	3.15

Investment types shown are strategic to the fund's portfolio. Tactical positioning may cause the Fund total to be greater than 100% due to leverage derived from exchange-traded futures.

Credit quality breakdown (% total)[1]

Cash	12.87
AAA	8.71
AA	1.44
A	6.89
BBB	8.72
BB	18.28
B	18.20
CCC	2.77
CC	0.13
Not Rated	21.95

Market overview

+ The third quarter saw modest stock market performance, following a strong first half of 2019. While global stocks had a slight gain for the quarter, emerging market stocks declined. Fixed income asset classes posted solid returns. Sovereign debt performed especially well amid the uncertainty as investors sought assets perceived to be safe havens. The global economy continued to show signs of weakness during the third quarter as the US/China trade war weighed on economic growth. Manufacturing data, in particular, showed signs of further deterioration. The 10-Year US Treasury yield fell from above 2% to below 1.5% before ending the quarter at 1.68% on concerns about a global economic slowdown and the impact of US/China trade conflict.

Positioning and outlook

+ The current landscape includes a number of catalysts for potential market volatility, including the upcoming deadline for the UK's exit from the European Union, geopolitical tensions in the Middle East, Hong Kong turmoil and lack of resolution to the US/China trade dispute. Meanwhile, the recent shift toward easier monetary policy will inevitably lead to expansion in the total amount of central bank assets. The question that arises is whether these actions will achieve the intended effect of stimulating inflation, and, if not, will fiscal stimulus be deployed.
+ The fund starts the final quarter of 2019 with a marginal shift in its exposure, which favors the high-yield segment over preferred equities and emerging debt. Tactically, compared to September, we slightly reduced duration through the defensive posture across sovereign debt futures. Meanwhile, long positions across the equity market futures raised the portfolio's beta relative to the S&P 500 Index.

Performance highlights

+ The fund's Class A shares at net asset value (NAV) slightly underperformed its custom benchmark for the third quarter. (Please see the investment results table on page 2 for fund and index performance.)
+ Strategically, the largest contribution to results came from US Treasury exposure, followed by US large-cap preferred equities and US equity REITs. These asset classes benefited from the Federal Reserve's September rate cut. Strategic exposure to master limited partnerships (MLPs) was the largest detractor due to their sensitivity to oil prices, which fell more than 10% amid concerns about slowing global growth and higher inventories. A September missile attack on a Saudi Arabian oil refinery caused only a short-term spike in prices. Emerging market government bonds posted positive returns due to a weakened US dollar and demand for income. However, returns were dampened by unexpected results in Argentina's primary election.
+ The tactical allocation detracted from overall results. Tactical positioning in equities detracted, primarily due to the fund's exposure to Hong Kong's Hang Seng Index and US small-cap stocks. The Hang Seng Index was down in response to regional political turmoil, while US small-caps were affected by market volatility and the US/China trade war. The fund's positioning within sovereign bonds also detracted as the defensive posture in US Treasuries proved detrimental when the Fed announced its additional rate cut in September.

Expense ratios	% net	% total
Class A Shares	0.85	1.06
Class C Shares	1.60	1.81
Class Y Shares	0.60	0.81

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 Feb. 29, 2020. See current prospectus for more information.

Investment results

Average annual total returns (%) as of Sept. 30, 2019

	Class A Shares		Class C Shares		Class Y Shares	
	Inception: 12/14/11		Inception: 12/14/11		Inception: 12/14/11	Style-Specific Index
Period	**Max Load 5.50%**	**NAV**	**Max CDSC 1.00%**	**NAV**	**NAV**	**Custom Invesco Multi-Asset Income Index**
Inception	5.67	6.43	5.63	5.63	6.69	-
5 Years	5.11	6.31	5.51	5.51	6.58	7.45
3 Years	3.63	5.62	4.83	4.83	5.85	8.45
1 Year	1.87	7.83	6.03	7.03	8.10	7.55
Quarter	-3.84	1.79	0.60	1.60	1.86	2.00

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.
Index sources: Invesco, FactSet Research Systems Inc.

For more information you can visit us at 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.
The Custom Invesco Multi-Asset Income Index comprises the following indexes: S&P 500® Index (50%) and Bloomberg Barclays U.S. Universal Index (50%). The S&P 500® Index is an unmanaged index considered representative of the US stock market. Bloomberg Barclays U.S. Universal index is an unmanaged index comprising US dollar-denominated, taxable bonds that are rated investment grade or below investment grade. 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.

Investing in other funds could result in the duplication of certain fees, including management and administrative fees, and exposes the Fund to the risks of owning the underlying funds.

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.

Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time, and reporting the distribution for tax purposes may be required, even though the income may not have been received. Further, preferred securities may lose substantial value due to the omission or deferment of dividend payments.

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.

Short sales may cause an investor to repurchase a security at a higher price, causing a loss. As there is no limit on how much the price of the security can increase, exposure to potential loss is unlimited.

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.