

# Invesco Multi-Asset Income Fund

## Quarterly Performance Commentary

Mutual Fund Retail Share Classes  
Data as of June 30, 2020



### Investment objective

The fund seeks to provide current income.

### Portfolio management

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### Fund facts

Total Net Assets	\$2,058,742,951
Total Number of Holdings	959

### Fund characteristics

Effective Duration	5.55
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### Investment categories (%)

High Yield	22.55
Emerging Market Debt	16.60
Preferreds	20.85
US Treasuries	7.50
US REITs	7.50
US MLPs	3.75
Equity Income	18.75
Tactical Stocks	22.08
Tactical Bonds	3.81
Cash	2.50

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)<sup>1</sup>

Cash	11.16
AAA	16.11
AA	2.27
A	4.36
BBB	10.23
BB	17.15
B	12.43
CCC	3.85
CC	0.09
C	0.00
D	0.01
Not Rated	22.27

### Market overview

+ The second quarter marked one of the most powerful rallies in risk assets in recent history. Equities and bonds experienced powerful rebounds from lows set in the first quarter when virus-induced shutdowns morphed into a nascent financial crisis. Assets traditionally viewed as safe

havens, such as high-quality sovereign debt, also managed to deliver positive results. The yield on the 10-year US Treasury started the quarter at 0.69% and remained range bound between 0.60% and 0.75% for much of the quarter before ending June at 0.67%.

### Positioning and outlook

+ Up to this point, the recovery from the economic damage caused by COVID-19 containment efforts has gone about as well as anyone could expect. Economic activity across several fronts is approaching levels seen just prior to the lockdowns. However, the easy part of the recovery is likely behind us. From here on, the recovery is apt to be lumpy as pockets of infections may cause a rollback of opening efforts. Several prognosticators are suggesting a return to pre-

COVID-19 economic activity levels will not occur until 2022 at the earliest. While it may be tempting to hop on the rebound bandwagon given the strength of the move, investors may be better served by taking a balanced approach to a broader set of potential economic outcomes that allows for fits and starts along the road to recovery.

+ Going into the third quarter, the fund's tactical allocation maintains an overweight in equities and a slight overweight in global government bonds.

### Performance highlights

- + The fund's Class A shares at net asset value (NAV) underperformed its custom benchmark (40% MSCI World Equity Index and 60% Bloomberg Barclays U.S. Aggregate Bond Index) for the second quarter. (Please see the investment results table on page 2 for fund and index performance.)
- + Most of the fund's subset of asset classes added to results. Exposure to emerging market debt provided the largest contribution as the US dollar's weakness, along with a more optimistic global economic outlook, helped to buoy the asset class.
- + High-yield bonds were the second largest contributor due to improved investor confidence and the Federal Reserve's efforts to ensure liquidity in the corporate bond market.
- + Exposure to US MLPs (master limited partnerships) aided results as energy markets rebounded from a dismal March on expectations of rising demand.
- + Exposure to US REITs contributed to results, boosted by the Fed's assurances that interest rates will be kept at exceptionally low levels for the foreseeable future.
- + The fund's newly introduced equity income component also added to results. As a reminder, this component is structured similarly to the MLP and REIT components, using purposely built buffered notes to help enhance yield potential and mitigate potential downside participation.
- + Tactical positioning detracted from results as losses from underweights in developed market equities outweighed gains from overweights in government bond markets.

Expense ratios	% net	% total
Class A Shares	0.85	0.98
Class C Shares	1.60	1.73
Class Y Shares	0.60	0.73

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. 28, 2021 and contractual management fee waivers in effect through at least June 30, 2021. See current prospectus for more information.

## Investment results

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

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 12/14/11	Inception: 12/14/11	Inception: 12/14/11	Inception: 12/14/11	Inception: 12/14/11	Style-Specific Index
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	Custom Invesco Multi-Asset Income Index
Inception	3.64	4.33	3.56	3.56	4.60	-
5 Years	2.02	3.17	2.42	2.42	3.43	8.08
3 Years	-2.30	-0.43	-1.16	-1.16	-0.18	8.64
1 Year	-15.03	-10.06	-11.51	-10.66	-9.73	9.32
Quarter	2.58	8.58	7.38	8.38	8.63	12.23

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

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## 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.

## **NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE**

*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](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.