

# Invesco International Growth Fund

## Q1 2026

## Key takeaways

- 1 The fund underperformed its benchmark and peers**

The fund underperformed the MSCI ACWI ex-US Growth Index and the Morningstar Foreign Large Growth peer group average for the quarter.<sup>1</sup>
- 2 Focus shifted from growth to inflation risks**

The fund holds quality companies with pricing power and strong positioning in industries benefiting from structural growth trends, which, in our experience, have supported faster earnings growth in recessions and defended profit margins during inflationary periods.
- 3 Staying nimble during volatility**

We exited eight stocks amid concerns about consumer spending headwinds and the broad software selloff. We reallocated the capital to opportunities we believe have more upside potential and compelling risk-reward profiles.

### Investment objective

The fund seeks capital appreciation.

### Fund facts

Fund AUM (\$M) 3,215.89

### Portfolio managers

Robert Dunphy, Ananya Lodaya

## Manager perspective and outlook

- Global equities experienced a volatile first quarter as renewed tariff measures, concerns about technology spending and geopolitical escalation in the Middle East appeared to shift investor focus from growth to inflation risks. Energy supply disruptions drove robust commodities performance, while equities broadly sold off amid heightened risk aversion and a stronger US dollar. Regional equity performance diverged. Japanese equities performed well, supported by a weaker yen and expectations of additional fiscal stimulus, while European equities declined amid rising energy costs. UK equities had a positive return, benefiting from commodities exposure and currency weakness. Emerging market equities edged lower despite strength in South Korea and Taiwan, as artificial intelligence-related (AI) optimism appeared to fade. US equities lagged amid increased scrutiny of technology valuations and capital expenditures. Both the technology sector and the broader global equity market weakened toward quarter end.

1. **3-month return as of 3/31/2026:** Invesco International Growth Fund, Class A shares at NAV: -7.58%; Morningstar Foreign Large Growth peer group average: -4.01%.



## Top issuers

(% of total market value)

	Fund	Index
Taiwan Semiconductor Manufacturing Co Ltd	7.69	5.61
BAE Systems PLC	4.04	0.55
ASML Holding NV	3.92	3.18
Tencent Holdings Ltd	3.62	2.51
Dollarama Inc	2.60	0.21
ResMed Inc	2.58	0.00
Lonza Group AG	2.49	0.28
Reliance Industries Ltd	2.48	0.00
AstraZeneca PLC	2.46	1.91
Siemens AG	2.46	0.40

As of 03/31/26. Holdings are subject to change and are not buy/sell recommendations.

## Portfolio positioning

We initiated five positions during the quarter, all of which we will discuss in the future.

We exited eight positions during the quarter.

We sold **OBIC Business Consultants** and **Rightmove** due to concerns about AI-driven disruption for these established platforms that could be susceptible to compression of pricing power over the long term.

**Accenture** is a global professional services firm that provides consulting, technology implementation and outsourcing services to large enterprises and governments. We sold the position due to uncertainty about large language models and automation that could reshape traditional consulting and systems-integration work.

**Daikin Industries** is a global manufacturer of air conditioning, heating, refrigeration and climate control systems for residential, commercial and industrial use. Weaker housing and construction demand has reduced new installations and large project activity for DAIKIN. We sold the position because we see other opportunities with what we consider more attractive risk/reward profiles.

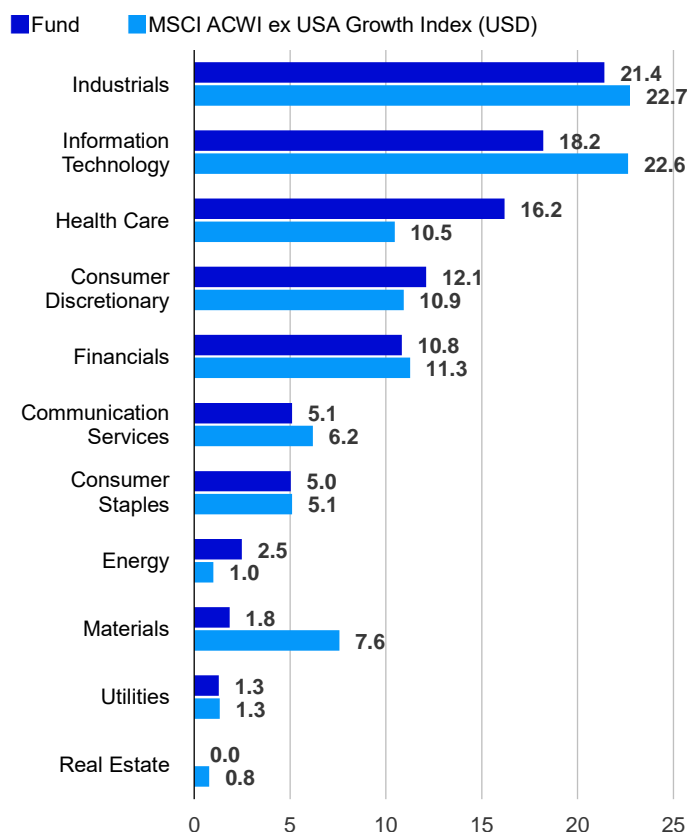
**EssilorLuxottica** is the world's leading eyewear company, combining the manufacture of ophthalmic lenses with iconic frame brands and retail distribution. The fund has been a long-time holder of EssilorLuxottica and we maintain a favorable view of the company. However, we sold the position because the company has been facing near-term consumer headwinds. We prefer other investment opportunities with more favorable risk/reward profiles in the current environment.

**LVMH Moet Hennessy Louis Vuitton** is a French luxury brand owner and manager, and in our opinion, one of the best in the business. While we maintain a favorable view of the company, we currently prefer to allocate capital to other opportunities in the luxury space that we believe have more upside potential.

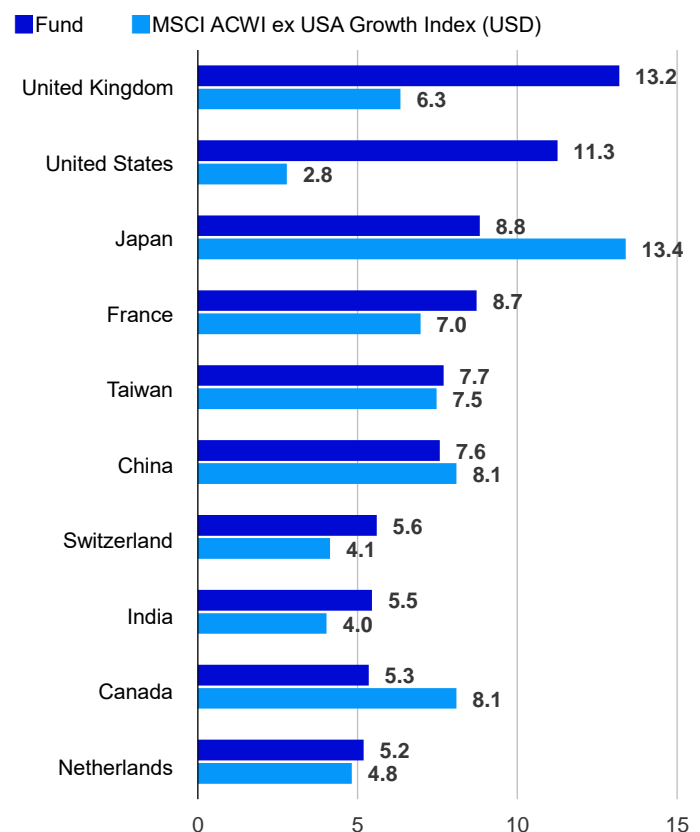
**Trainline** is a digital rail and coach ticketing platform that allows customers to search, compare and purchase tickets across multiple operators in the UK and Europe. The company announced a CEO transition and we prefer to allocate capital elsewhere.

**Universal Music**, a Dutch American company, is the world's largest music company. We sold the position because we prefer to allocate the capital elsewhere.

## Sector breakdown (% of total market value)



## Top countries (% of total market value)



## Top contributors (%)

Issuer	Return	Contrib. to return
Taiwan Semiconductor Manufacturing Company Limited	18.03	0.90
BAE Systems plc	27.19	0.65
ASML Holding NV	23.26	0.47
Contemporary Amperex Technology Co., Limited	22.70	0.38
Samsung Electronics Co., Ltd.	39.85	0.32

## Top detractors (%)

Issuer	Return	Contrib. to return
EPAM Systems, Inc.	-33.91	-0.83
Tencent Holdings Limited	-17.75	-0.61
LVMH Moët Hennessy Louis Vuitton SE	-29.18	-0.57
Sartorius Stedim Biotech S.A.	-20.58	-0.56
Dollarama Inc.	-18.21	-0.54

## Performance highlights

Relative to its index, the fund outperformed most in financials, utilities and consumer staples due to stock selection.

The fund underperformed most in consumer discretionary due to stock selection and an overweight. The fund also underperformed in IT and health care due to stock selection.

### Contributors to performance

**BAE Systems** is a UK-based defense contractor supplying mainly NATO clients. We believe BAE is well-placed to benefit from increased defense spending. Shares rose during the quarter as increasing global defense spending supported strong earnings and long-term revenue visibility.

**Taiwan Semiconductor Manufacturing** is one of the world's leading semiconductor foundries, particularly for chips at 7-nanometers and smaller. We believe it can benefit from chip miniaturization. Shares rose on strong results and sustained AI-driven demand.

**Contemporary Amperex Technology** is the world's largest producer of lithium-ion batteries for electric vehicles. In our opinion, it is a best-in-class manufacturer in sectors supported by long-term secular growth. Shares outperformed as demand trends reinforced market leadership.

**Orsted** is a global renewable energy company focused on offshore wind development and operations critical to the clean-energy transition. Shares rose following favorable US regulatory developments and balance sheet improvements that could expand cash flow generation.

**HOYA** is a Japanese technology company

specializing in optical products, including eyeglass lenses, medical components and semiconductor photomasks. Shares rose on solid earnings growth across semiconductor end markets and disciplined capital returns.

### Detractors from performance

**EPAM Systems** is an IT services company offering consulting, engineering and implementation solutions. We believe EPAM is positioned to benefit from increased consulting demand as companies adopt AI-enabled processes. Shares declined amid a broader software selloff.

**Sartorius Stedim Biotech**, a French company, provides specialized equipment and supplies for biologic drug research and production. Shares fell on conservative growth guidance, signaling in our view a slower recovery in bioprocessing equipment demand.

**Flutter Entertainment** is a UK-based owner of US sports-betting platform FanDuel.

Expanding regulatory access has continued to grow its addressable market, but shares appeared pressured by concerns about near-term margins, regulation and competition.

**Universal Music** shares appeared pressured by near-term valuation concerns. We sold the position during the quarter.

**Reliance Industries** is an India-based conglomerate with leading positions in telecom, retail and oil refining. We believe it has the assets to build an omnichannel retail and internet platform. Despite earnings beating expectations, capital intensity appeared to raise concerns about near-term cash flow.

## Standardized performance (%) as of March 31, 2026

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 03/25/96	NAV	-7.58	-7.58	6.37	4.69	0.42	4.66	6.91
	Max. Load 5.5%	-12.66	-12.66	0.53	2.73	-0.72	4.07	6.71
Class R6 shares inception: 03/29/12	NAV	-7.52	-7.52	6.76	5.07	0.80	5.08	5.75
Class Y shares inception: 09/07/05	NAV	-7.50	-7.50	6.63	4.95	0.66	4.92	5.90
MSCI ACWI ex USA Growth Index (USD)		-3.62	-3.62	18.77	10.14	3.26	7.56	-
Total return ranking vs. Morningstar Foreign Large Growth category (Class A shares at NAV)		-	-	74% (290 of 382)	81% (288 of 359)	75% (240 of 332)	95% (217 of 228)	-

Expense ratios per the current prospectus: Class A: Net: 1.14%, Total: 1.14%; Class R6: Net: 0.75%, Total: 0.75%; Class Y: Net: 0.90%, Total: 0.90%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com](https://www.invesco.com) 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 so that you may have a gain or a loss when you sell shares. Returns less than one year are cumulative; all others are annualized. 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. Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower. Performance shown at NAV does not include the applicable front-end sales charge, which would have reduced the performance.

Class Y and R6 shares have no sales charge; therefore performance is at NAV. Class Y shares are available only to certain investors. Class R6 shares are closed to most investors. Please see the prospectus for more details.

## Performance highlights (cont'd)

### Calendar year total returns (%)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Class A shares at NAV	-2.30	26.61	-19.55	28.60	21.91	10.57	-27.31	20.75	-1.74	15.81
Class R6 shares at NAV	-1.88	27.15	-19.22	29.16	22.41	10.99	-27.00	21.20	-1.41	16.29
Class Y shares at NAV	-2.06	26.89	-19.36	28.98	22.18	10.86	-27.12	21.02	-1.50	16.08
MSCI ACWI ex USA Growth Index (USD)	0.12	32.01	-14.43	27.34	22.20	5.09	-23.05	14.03	5.07	25.65

### Portfolio characteristics\*

	Fund	Index
No. of holdings	55	1,064
Top 10 issuers (% of AUM)	35.07	20.98
Wtd. avg. mkt. cap (\$M)	250,267	190,937
Price/earnings	22.72	23.33
Price to book	3.65	3.88
Est. 3 – 5 year EPS growth (%)	14.99	16.96
ROE (%)	20.09	21.22
Long-term debt to capital (%)	26.64	24.45
Operating margin (%)	22.50	23.43

### Risk statistics (5 year)\*

	Fund	Index
Alpha (%)	-2.50	0.00
Beta	1.04	1.00
Sharpe ratio	-0.16	-0.01
Information ratio	-0.43	0.00
Standard dev. (%)	18.35	16.43
Tracking error (%)	6.68	0.00
Up capture (%)	98.84	100.00
Down capture (%)	106.47	100.00
Max. drawdown (%)	38.36	33.22

## Quarterly performance attribution

### Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	-0.18	-0.79	-0.97
Consumer Discretionary	-0.69	-1.35	-2.04
Consumer Staples	0.08	0.15	0.23
Energy	-0.62	-1.03	-1.65
Financials	0.43	-0.08	0.35
Health Care	-0.29	-1.01	-1.30
Industrials	0.03	-0.49	-0.47
Information Technology	0.35	-1.21	-0.86
Materials	-0.32	-0.23	-0.55
Other	0.00	0.00	0.00
Real Estate	0.05	0.00	0.05
Utilities	-0.19	0.20	0.02
Cash	0.26	0.00	0.26
<b>Total</b>	<b>-1.09</b>	<b>-5.83</b>	<b>-6.92</b>

Holdings are subject to change and are not buy/sell recommendations. Attribution methodology notes: The attribution provides analysis of the effects of several portfolio management decisions, including allocation and security selection. Securities classified as "Other" may include non-equity securities, derivatives, and securities for which a sector classification may not be appropriate. The portfolio is actively managed and portfolio holdings are subject to change. The percentage weights represented for the portfolio are dollar weighted based on market value. **Market allocation effect** shows the excess contribution due to sector/market allocation. A positive allocation effect implies that the choice of sector weights in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Selection effect** shows the excess contribution due to security selection. A positive selection effect implies that the choice of stocks in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Total effect** is the difference in contribution between the benchmark and portfolio. **Past performance does not guarantee future results.**

### Region performance analysis (%)

Region	Allocation effect	Selection effect	Total effect
<b>Developed</b>	<b>-0.07</b>	<b>-6.76</b>	<b>-6.83</b>
<b>Emerging</b>	<b>-0.04</b>	<b>-0.31</b>	<b>-0.35</b>
<b>Cash</b>	<b>0.26</b>	<b>0.00</b>	<b>0.26</b>
<b>Total</b>	<b>0.15</b>	<b>-7.07</b>	<b>-6.92</b>

## Performance attribution (cont'd)

### Performance analysis by country — top 5 (%)

	Total effect	Avg. weight	Total return
Taiwan	0.56	7.24	18.03
Denmark	0.45	1.11	29.59
Indonesia	0.07	0.00	0.00
Sweden	0.07	0.00	0.00
China	0.06	7.77	-8.37

### Performance analysis by country — bottom 5 (%)

	Total effect	Avg. weight	Total return
United States	-2.08	9.26	-18.09
France	-2.06	13.10	-17.49
Canada	-0.89	5.26	-14.84
Ireland	-0.64	1.41	-36.95
Japan	-0.44	9.29	-1.47

Unless otherwise specified, all information is as of 03/31/26. Unless stated otherwise, Index refers to MSCI ACWI ex USA Growth Index (USD).

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

• **Effective August 22, 2025, the Invesco Oppenheimer International Growth Fund was renamed Invesco International Growth Fund.**

The MSCI All Country World ex-U.S. Growth Index (Net) is an unmanaged index considered representative of growth stocks across developed and emerging markets, excluding the US. The index is computed using the net return, which withholds applicable taxes for non-resident investors. An investment cannot be made directly in an index.

#### About Risk

Stock and other equity securities values fluctuate in response to activities specific to the company as well as general market, economic and political conditions.

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.

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

Many countries in the European Union are susceptible to high economic risks associated with high levels of debt, notably due to investments in sovereign debts of European countries such as Greece, Italy, and Spain.

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 concentrated in a comparatively narrow segment of the economy may be more volatile than non-concentrated investments.

Stocks of small and medium-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.

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.

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 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.

\* **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio indicates better risk-adjusted performance. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Tracking Error** is defined as the expected standard deviation of a portfolio's excess return over the benchmark index return. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Maximum Drawdown** is the maximum observed loss from a high to a low of a portfolio, before a new high is attained. Maximum drawdown is an indicator of downside risk over a specified time period. **Weighted Average Market Cap** is a measure of the average size of company held in a portfolio. The percentage of the portfolio invested each company, or its weight, is multiplied by its size (market capitalization). An average of the weighted size of all companies held is then calculated. **Price/earnings** measures the price per share relative to the earnings per share of the company while excluding extraordinary items. **Price to book** measures the firm's capitalization (market price) to book value. **Est. 3-5 year EPS (Earning per share) growth** measures the earning per share growth from FY3 to FY5. **ROE** is the Return on Equity that measures the fund's annual return relative to total shareholders' equity. This ratio evaluates how quickly investments can be turned into profits. **Long-term debt to capital** measures a fund's financial leverage by calculating the proportion of long-term debt used to finance its assets relative to the amount of equity used for the same purpose. A higher ratio indicates higher leverage. **Operating margin** measures the profit a fund makes for every dollar of sales after paying the variable expenses. **Contribution to Return** measures the performance impact from portfolio holdings over a defined time period. It takes into account both weight and performance of the portfolio holdings. Contribution to Return is calculated at security level.

#### Morningstar

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**Before investing, consider the Fund's investment objectives, risks, charges and expenses. Visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus) for a prospectus/summary prospectus containing this information. Read it carefully before investing.**