Invesco Senior Floating Rate Fund[■]

Quarterly Performance Commentary

Mutual Fund Retirement Share Classes
Data as of Sept. 30, 2020

Invesco

Investment objective

The fund seeks income.

Portfolio management

David Lukkes, Thomas Ewald, Philip Yarrow

Fund facts	
Total Net Assets	$3,961,234,586
Weighted Average Price	89.13
Weighted Average Time to Reset (days)	38.39
Total Number of Holdings	502

Top 10 holdings	(% of total assets)
Western Express Inc.	2.93
Murray Energy Corporation	1.77
Transdigm Inc.	1.73
Caesars Resort Collection, LLC	1.56
iQor US Inc.	1.46
Numericable-SFR S.A.	1.45
Virgin Media Bristol LLC	1.40
Avaya Inc.	1.37
Altice Financing S.A.	1.29
Ziggo Secured Finance Partnership	1.29

Investment categories (%)	
Senior Secured Loans	87.92
Domestic Common Stock	1.38
Corporate Debt	5.28
Structured Products	0.79
Preferred Securities	0.58
Warrants	0.40
Cash and Cash equivalents	3.65

May not equal 100% due to rounding.

Market overview

+ During the third quarter, loan prices continued to rise from their March lows and the asset class, as represented by the Credit Suisse Leveraged Loan Index, returned 1.88%, 1.50% and 0.69% in July, August and September, respectively. Overall, loans returned 4.13% in the third quarter, bringing the year-to-date return to -0.83%.[2]
+ The performance dispersion among loan sectors was less pronounced in the third quarter than it had been in the first and second quarters as normalizing market conditions generally benefited all issuers. Case in point, all sectors delivered positive returns and the difference between the best and worst performing sectors was 6.25% compared to 10.52% in the second quarter and 31.46% in the first quarter.[2] The top performing sectors in the third quarter, including retail, metals, consumer and energy, are among the worst performers year to date. The sectors that were most negatively affected earlier this year have retraced some of their disproportionate losses. Within loans, lower quality issues continued to outperform during the quarter as BB-rated loans (2.7%) lagged B-rated (4.3%) and CCC-rated loans (8.4%).[2] Stabilization in credit fundamentals and the slowing wave of rating agency downgrades supported the recovery in the lower quality end of the loan market.
+ From a technical perspective, demand improved as creation of collateralized loan obligations (CLO) ramped up and retail outflows lessened. Retail outflows totaled $3.3 billion in the quarter, a big improvement from the first and second quarter outflows of $16.0 billion and $6.1 billion, respectively. Meanwhile, aside from a typical seasonal lull in August, CLO issuance increased.[3] As liability costs have tightened and equity arbitrage has been supportive, managers have been emboldened to bring new CLOs to market. The $22.1 billion of issuance (excluding refinancings or resets) exceeded the first and second quarter totals of $17.4 billion and $18.1 billion, respectively.[3] From a supply standpoint, new issuance remained relatively muted, with $67.8 billion of transaction volume in the third quarter, albeit improved from $46.4 billion in the second quarter.[3]

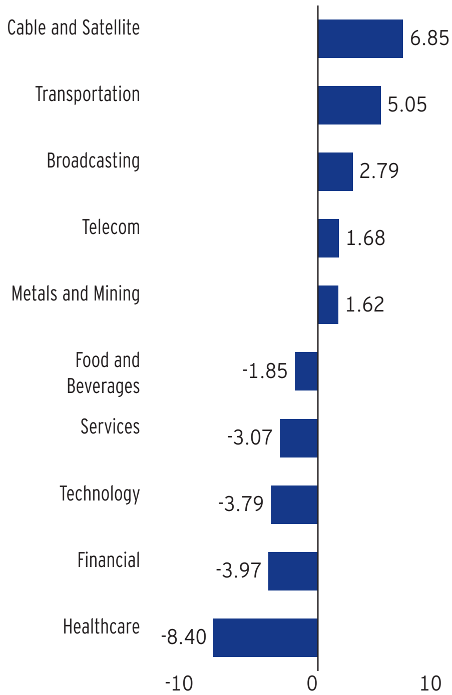
Positioning and outlook

+ During the third quarter, the par-weighted loan default rate rose from 3.23% to 4.17%, the highest it has been since 2014.[4] Because defaults are a lagging indicator of credit stress and a number of issuers are presently in interest payment grace periods or forbearance/standstill agreements with lenders, the default rate is likely to keep rising as a number of issuers face difficult operating conditions and over-leveraged balance sheets. That said, rating agencies and loan market participants alike have lowered their default expectations for the next one to two years as many loan issuers have proven surprisingly resilient to the economic shock from COVID-19. Issuers with access to funding markets, liquidity facilities and timely government support in the initial throes of the pandemic outperformed the market's worst fears, a key reason why loan prices have staged such a remarkably fast recovery. As investors have refined their understanding of issuers' vulnerabilities in this new environment, default expectations have leveled out and the knee-jerk price declines in March have come to appear more and more unfounded.

Performance highlights

+ The Y share class of Invesco Senior Floating Rate Fund returned 3.43%, underperforming its benchmark, the JP Morgan Leveraged Loan Index, which returned 4.11%.
+ The largest detractors from relative performance were **Frontera Generation**, with a return of -0.26, **Deluxe Entertainment Services**, which returned -0.11%, and **Internap**, which returned -0.11% (0.38%, 0.18% and 0.24% of total net assets, respectively).
+ The largest contributors to relative performance were **Murray Energy**, which returned 0.55%, **Arch Resources**, which returned 0.18%, and **Serta Simmons Bedding**, which returned 0.18% (1.77%, 0.33% and 0.43% of total net assets, respectively).

The fund's positioning versus the JP Morgan Leveraged Loan Index
(% underweight/overweight)



Portfolio composition	% of total assets[1]
BBB	7.38
BB	21.25
B	50.06
CCC	5.46
D	2.05
Not Rated	11.35

Investment results

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

	Class A Shares	Class Y Shares	Class R Shares	Class R6 Shares	Class R5 Shares	
	Inception: 09/08/99	Inception: 11/28/05	Inception: 10/26/12	Inception: 10/26/12	Inception: 05/24/19	Style-Specific Index
Period	**NAV**	**NAV**	**NAV**	**NAV**	**NAV**	**JP Morgan Leveraged Loan Index**
Inception	3.86	3.39	1.49	2.10	-	-
10 Years	2.73	3.00	-	-	2.79	4.61
5 Years	1.05	1.32	0.80	1.41	1.15	4.21
3 Years	-2.07	-1.79	-2.31	-1.69	-1.90	3.40
1 Year	-8.46	-8.13	-8.69	-8.02	-8.03	1.27
Quarter	3.20	3.43	3.29	3.46	3.43	4.11

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. Class A shares at NAV are available only to certain investors and have no sales charge; therefore, performance is at NAV. Class Y shares have no sales charge; therefore, performance is at NAV. Class R shares have no sales charge; therefore, performance is at NAV. Class R6 shares have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Performance shown prior to the inception date of Class R5 shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Class R5 shares have no sales charge; therefore, performance is at NAV. 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. 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 sources: Invesco, Bloomberg L.P.

30-day SEC yields	
Class A Shares	3.73
Class R5 Shares	4.12
Class R6 Shares	4.20
Class Y Shares	4.08

Had fees not been waived and/or expenses reimbursed, the SEC yields would have been 3.71% for Class A shares, 4.10% for Class R5 shares, 4.18% for Class R6 shares and 4.06% for Class Y shares.

Expense ratios	% net	% total
Class A Shares	1.12	1.13
Class Y Shares	0.87	0.88
Class R Shares	1.37	1.38
Class R6 Shares	0.75	0.76
Class R5 Shares	0.80	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 May 31, 2021. See current prospectus for more information.

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

1 Ratings source: Standard & Poor's. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. Not Rated indicates the debtor was not rated and should not be interpreted as indicating low quality. A negative in Cash indicates fund activity that has accrued or is pending settlement. For more information on Standard and Poor's rating methodology, please visit www.standardandpoors.com and select 'Understanding Ratings' under Rating Resources on the homepage.
2 Credit Suisse Leveraged Loan Index, total returns in USD, as of September 30, 2020.
3 JP Morgan as of September 30, 2020.
4 S&P LCD as of September 30, 2020.
■ **Effective September 30, 2020, "Oppenheimer" was removed from the fund name. Please see the prospectus for additional information.**
Class A shares at NAV and Class Y shares are available only to certain investors. Class R shares are generally available only to employee benefit plans. Class R6 shares and Class R5 shares are primarily intended for retirement plans that meet certain standards and for institutional investors. See the prospectus for more information.
The fund may invest all its assets in securities that are determined to be below investment grade quality.
The JP Morgan Leveraged Loan Index tracks the performance of US dollar denominated senior floating rate bank loans. An investment cannot be made directly in an index.
Weighted average time to reset is the amount of time required for the base interest rate (usually LIBOR) of all loans in the portfolio to reset or adjust to a new base interest rate. **Weighted average price** is the average of prices of all loan and bond holdings in the portfolio weighted by par value.

About risk

The fund may use leverage to seek to enhance income, which creates the likelihood of greater volatility of the fund's shares and may also impair the ability to maintain its qualification for federal income tax purposes as a regulated investment company.

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.

The risks of investing in securities of foreign issuers 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.

To the extent an investment focuses on securities issued or guaranteed by companies in the banking and financial services industries, the investment's performance will depend on the overall condition of those industries, which may be affected by the following factors: the supply of short-term financing, changes in government regulation and interest rates, and overall economy.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

Most senior loans are made to corporations with below investment-grade credit ratings and are subject to significant credit, valuation and liquidity risk. The value of the collateral securing a loan may not be sufficient to cover the amount owed, may be found invalid or may be used to pay other outstanding obligations of the borrower under applicable law. There is also the risk that the collateral may be difficult to liquidate, or that a majority of the collateral may be illiquid.

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.