

Invesco Growth and Income SMA

Third quarter

Fact Sheet: Separately Managed Accounts
Sept. 30, 2020



Portfolio management team

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Industry since 2000
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Current portfolio positioning

Despite a September sell-off, US equity markets posted gains in the third quarter as the US Federal Reserve (Fed) extended its emergency stimulus programs and changed its inflation target policy, both of which supported equities. Activity was better than expected across many areas of the economy. The unemployment rate fell to 7.9% in September, down from 11.1% in June, showing that the job market was rebounding more quickly than anticipated. Data for both manufacturing and services indicated expansion, a reversal from significant declines earlier in the year. Corporate earnings were also better than anticipated, and a gradual decline in new COVID-19 infections in many regions, combined with optimism about progress on a coronavirus vaccine, further boosted stocks. The S&P 500 Index returned 8.93% for the quarter.

The Growth and Income portfolio underperformed the Russell 1000 Value Index for the quarter. Within the index, nine out of 11 sectors had gains, led by consumer discretionary, while energy and information technology (IT) had declines.

Stock selection in financials was the largest detractor from the portfolio's return, largely due to Citigroup and AIG. Shares of both companies declined amid a challenging operating environment due to COVID-19 and the Fed's updated guidance on inflation targets and lower interest rates.

Security selection in industrials also detracted from the portfolio's relative return, driven primarily by General Dynamics. The portfolio's underperformance was also due to security selection in health care, where a lack of exposure to some of the stronger names within the sector detracted from relative returns.

Despite information technology's weak performance within the index, stock selection in the sector was the largest contributor to relative returns. Within the sector, Qualcomm, Cognizant and Apple were key contributors. Cognizant reported a drop in revenue due to the pandemic, but earnings were better than anticipated. Apple also reported a solid quarter, as stronger-than-expected sales in May and June offset weakness in April.

Security selection and an underweight in real estate also helped relative performance as the sector posted muted gains for the quarter.

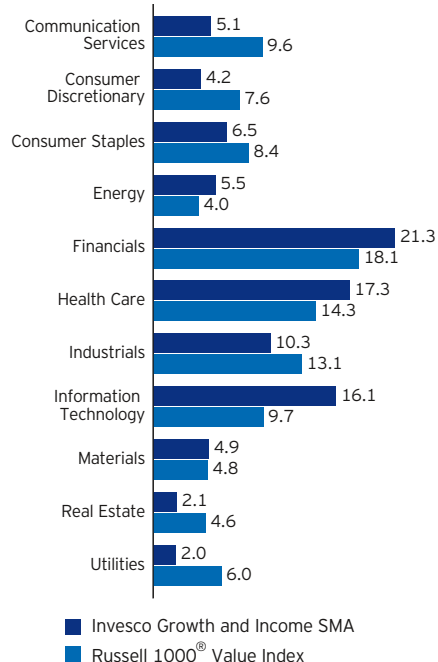
The team purchased new positions in the real estate and IT sectors, and exchanged a handful of financials and energy holdings during the quarter. At quarter-end, the portfolio's largest overweights were in IT, financials and health care, while the largest underweights were in communication services, utilities and real estate.

Market volatility is likely to continue, as coronavirus infections have accelerated in some areas of the US, which could slow an economic recovery. As always, we seek to invest in companies with attractive valuations and strong fundamentals, qualities that we believe will ultimately be reflected in those companies' stock prices.

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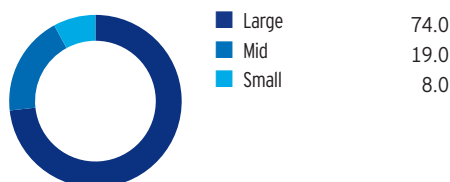
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Sector weightings (% of total net assets)

Portfolio characteristics

	Portfolio	Russell 1000 Value Index
Number of Holdings	N/A	N/A
Median Market Cap (\$M)	\$41,426	\$9,334
Weighted Average Market Cap (\$M)	\$123,655	\$122,161
Weighted Average Price/Book	1.44	2.17
Weighted Harmonic Average 12-Month Forward P/E	12.22	17.23
Weighted Harmonic Average 12-Month Trailing P/E	18.36	20.15
Weighted Average Dividend Yield (Trailing 12 Months)	2.84	2.45
Weighted Average 12-Month Forward EPS Growth	0.14	0.1
Weighted Average Long-Term EPS Growth	6.18	4.93
Weighted Average Return on Equity	16.25	16.16
Weighted Average Long-Term Debt to Capital	54.3	48.87
Turnover (TTM)	31.87%	N/A

Portfolio characteristics are subject to change.

Market capitalization breakdown (%)

Asset allocation

	9/30/20	6/30/20	3/31/20
Stocks	95.28%	96.82%	96.16%
Cash/Other	4.71	3.18	3.84

Performance characteristics (Five year)

Alpha (vs. Russell 1000 Value Index)	-2.91%
Beta (vs. Russell 1000 Value Index)	1.17
R ² (vs. Russell 1000 Value Index)	0.96
Information Ratio (vs. Russell 1000 Value Index)	-0.52
Sharpe Ratio	0.23
	107.346
	/
Up/Down Capture Ratio (vs. Russell 1000 Value Index)	117.377
	8
Standard Deviation Portfolio	18.46%
Benchmark	15.50%

Quarterly returns

Period	"Pure" gross return* (%)	Net return (%)	Russell 1000 Value Index Total Return (%)
3Q20	4.71	3.94	5.59
2Q20	17.13	16.30	14.29
1Q20	-32.32	-32.90	-26.73

Annualized compound returns

Period	"Pure" gross return* (%)	Net return (%)	Russell 1000 Value Index Total Return (%)
1 Year	-10.83	-13.51	-5.03
3 Year	-2.12	-5.02	2.63
5 Year	5.29	2.18	7.66
10 Year	8.00	4.82	9.95
Since Inception (1/1/09)	8.73	5.53	10.49

Returns less than one year are not annualized.

* "Pure" gross of fees returns reflect the deduction of trading costs but do not reflect any other expenses, and are supplemental to net returns. See note 5 on page 4.

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All data as of Sept. 30, 2020

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Sample portfolio
Top 10 holdings

Ticker	Security	Sector	% of total net assets
1. ORCL	Oracle Corp.	Information Technology	3.96
2. CSX	CSX Corp.	Industrials	3.79
3. PM	Philip Morris International Inc.	Consumer Staples	3.64
4. CTSH	Cognizant Tech Solutions Corp.	Information Technology	3.38
5. JNJ	Johnson & Johnson	Health Care	3.17
6. MS	Morgan Stanley	Financials	3.08
7. QCOM	QUALCOMM Inc.	Information Technology	3.06
8. GM	General Motors Co.	Consumer Discretionary	2.87
9. GS	Goldman Sachs Group Inc.	Financials	2.81
10. PNC	PNC Financial Services Group Inc.	Financials	2.73

Other sample holdings

CHTR	Charter Communications, Inc.	Communication Services
CMCSA	Comcast Corp.	Communication Services
VOD	Vodafone Group PLC	Communication Services
TJX	TJX Cos Inc.	Consumer Discretionary
SYF	Sysco Corp.	Consumer Staples
USFD	US Foods Holding Corp.	Consumer Staples
CNQ	Canadian Natural Resources Ltd.	Energy
CVX	Chevron Corp.	Energy
CXO	Concho Resources Inc.	Energy
DVN	Devon Energy Corp.	Energy
PE	Parsley Energy Inc.	Energy
AIG	American International Group Inc.	Financials
C	Citigroup Inc.	Financials
CFG	Citizens Financial Group Inc.	Financials

Other sample holdings (continued)

TFC	Truist Financial Corp.	Financials
VOYA	Voya Financial Inc.	Financials
WFC	Wells Fargo & Co.	Financials
ANTM	Anthem Inc.	Health Care
BMY	Bristol-Myers Squibb Co.	Health Care
CVS	CVS Health Corp.	Health Care
MCK	McKesson Corp.	Health Care
MDT	Medtronic PLC	Health Care
SNY	Sanofi SA	Health Care
ZBH	Zimmer Biomet Holdings Inc.	Health Care
GD	General Dynamics Corp.	Industrials
JCI	Johnson Controls International PLC	Industrials
RTX	Raytheon Technologies Corp.	Industrials
AAPL	Apple Inc.	Information Technology
NXPI	NXP Semiconductors NV	Information Technology
TEL	TE Connectivity Ltd.	Information Technology
CTVA	Corteva Inc.	Materials
DD	DuPont de Nemours Inc.	Materials
NTR	Nutrien Ltd.	Materials
CBRE	CBRE Group Inc.	Real Estate
EXC	Exelon Corp.	Utilities

This table illustrates the composition of a model portfolio as of the date listed and should not be considered as a recommendation to purchase or sell a particular security; additionally, there is no assurance that the securities purchased remain in the portfolio or that securities sold have not been repurchased. Past performance does not guarantee future results. Holdings may vary depending on program sponsor restrictions or specific client guidelines. Top 10 holdings and percentages are listed above and represent 32% of total holdings. For additional holdings disclosure, see the Global Industry Classification Standard disclosure on page 4. **To obtain a list of all recommendations made by Invesco Advisers, Inc. in this investment style during the last year, please contact Invesco Advisers, Inc. at 800 349 0953.**

Top quarterly contributors to /detractors from performance

Top 5 contributors	Average weight (%)	Contribution (%)	Top 5 detractors	Average weight (%)	Contribution (%)
QUALCOMM Inc.	2.76	0.72	Chevron Corp.	2.06	-0.42
Apple Inc.	2.44	0.69	Citigroup Inc.	2.76	-0.39
Cognizant Technology Solutions Corp.	3.16	0.64	Vodafone Group PLC	2.30	-0.37
CSX Corp.	3.61	0.39	American International Group Inc.	2.25	-0.24
General Motors Co.	2.65	0.38	General Dynamics Corp.	2.84	-0.19

For more information on the calculation methodology and a complete list of each holding's contribution to the overall account's performance during this time period, please contact Invesco Advisers, Inc. at 800 349 0953. The holdings identified do not represent all of the securities purchased, sold or recommended for advisory clients. Past performance is not a guarantee of future results.

Invesco Growth and Income SMA Wrap composite as of Dec. 31, 2019

Year	"Pure" gross return* (%)	Net return (%)	Russell 1000® Value Index total return (%)	Composite dispersion (%)	Composite 3-year annualized standard deviation (%)	Benchmark 3-year annualized standard deviation (%)	Number of accounts	Composite assets (\$ millions)	Total firm assets (\$ billions)	% wrap assets
2019	23.81	20.20	26.54	N/A	14.49	12.02	<5	0.16	826	0
2018	-13.26	-15.86	-8.27	N/A	13.69	10.98	<5	0.13	579	0
2017	16.11	12.72	13.66	N/A	12.52	10.34	<5	0.15	660	0
2016	18.68	15.21	17.34	N/A	12.90	10.93	<5	0.13	599	0
2015	-3.99	-6.84	-3.83	N/A	11.51	10.83	<5	0.60	575	100
2014	7.70	4.53	13.45	N/A	9.30	9.33	<5	0.70	585	100
2013	33.83	29.96	32.53	N/A	12.48	12.88	<5	1.30	573	100
2012	14.65	11.29	17.51	N/A	15.62	15.73	<5	1.60	500	100
2011	-0.08	-3.04	0.39	N/A	19.75	20.98	<5	1.40	480	100
2010	12.48	9.18	15.51	N/A	N/A	N/A	<5	1.40	475	100

Annualized compound returns as of Dec. 31, 2019

Period	"Pure" gross return* (%)	Net return (%)	Russell 1000® Value Index Total Return (%)
1 Year	23.81	20.20	26.54
3 Years	7.63	4.47	9.68
5 Years	7.28	4.12	8.29
10 Years	10.19	6.95	11.80
Since Inception (1/1/09)	11.22	7.95	12.49

Returns less than one year are not annualized.

* "Pure" gross of fees returns reflect the deduction of trading costs but do not reflect any other expenses, and are supplemental to net returns. See note 5.

- Invesco Worldwide ("The Firm") is defined as follows: For purposes of compliance with the Global Investment Performance Standards (GIPS®), the "Firm" (Invesco Worldwide) refers to: U.S.-based Invesco Advisers, Inc.; Invesco Managed Accounts, LLC; and wholly owned Invesco firms outside of North America. This definition excludes: unit investment trusts; Invesco India; Source Investment Management Ltd.; Invesco Asset Management Australia (Holdings) Ltd.'s investments in Asia; Invesco Asset Management Australia (Holdings) Ltd.; Invesco Real Estate Investment Asia Pacific Ltd.; Invesco Real Estate Investment (Asia) LLC's Singapore branch; Invesco Global Real Estate Asia Pacific, Inc.'s Japan branch; Invesco Real Estate (Cayman) Ltd.; Invesco Great Wall Fund Management Co. Ltd., a fund management company established under China Securities Regulatory Commission's approval; and Invesco Senior Secured Management, Inc., Invesco Private Capital, Inc., and Invesco Capital Management LLC, which are SEC-registered investment advisers and affiliates of the Firm marketed as separate entities. Invesco Canada Ltd. is also a GIPS-compliant firm whose assets are managed by a subsidiary of Invesco Ltd. All entities within the Firm are directly or indirectly owned by Invesco Ltd. On May 24, 2019 Invesco acquired Massachusetts Mutual Life Insurance Company's asset management affiliate OppenheimerFunds. As a result of this transaction, assets previously part of the OFI Global Asset Management (OFI Global) GIPS® firm will now be part of Invesco Worldwide (IWW) GIPS® firm. IWW and OFI Global firm assets were combined beginning December 31, 2019.
- Invesco Worldwide claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Invesco Worldwide has been independently verified for the periods January 1, 2003 through December 31, 2019. The legacy firms that constitute Invesco Worldwide have been verified since 2001 or earlier. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
- A complete list and description of Firm composites and performance results is available upon request. Additional information regarding policies for calculating and reporting returns is available upon request. All returns are expressed in U.S. dollars and are gross of nonreclaimable withholding tax, if applicable.
- For periods beginning April 1, 2016, the Invesco Growth and Income SMA Wrap Composite is composed of 100% non-fee paying discretionary institutional accounts styled after the Invesco Growth and Income SMA Model Portfolio, which seeks capital growth and income by emphasizing a value style of investing seeking well-established, undervalued companies believed to possess the potential for capital growth and income as defined by the Russell 1000® Value Index Total Return (TR). For all periods prior to April 1, 2016, the Invesco Growth and Income SMA Wrap Composite was composed of 100% non-fee-paying discretionary wrap accounts. The performance results beginning April 1, 2016 are those of the Invesco Growth and Income SMA Institutional Composite. The composite is managed in comparison to, not duplication of, the benchmark. The composite was created in January 2009.
- "Pure" gross of fees returns reflect the deduction of trading costs but do not reflect any other expenses, and are supplemental to net returns. Performance results are presented both net and gross of total wrap fees. Net returns reflect the deduction of the maximum total wrap fee, which is currently 3.00% per annum or 0.25% monthly, from the "pure" gross return. A model fee is the highest wrap fee a client could pay (3.00% annually as charged by the program sponsor, inclusive up to a maximum investment advisory fee of .75%). The total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The standard wrap fee schedule currently in effect is as follows: 3.00% on total assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.
- The Russell 1000® Value Index TR measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 1000® Value Index TR is a trademark/service mark of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company. The returns of the Russell 1000® Value Index TR are provided to represent the investment environment that existed during the time periods shown. The benchmark is used for comparative purposes only and generally reflects the risk or investment style of the product. For comparison purposes the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.
- The dispersion of annual returns is measured by the equal-weighted standard deviation of account returns included in the composite for the full year. For periods with five or fewer accounts included for the entire year, dispersion is not presented as it is not considered meaningful.
- The three-year annualized ex-post standard deviation measures the variability of the monthly returns of the composite and the benchmark over the preceding 36 months.
- Effective June 1, 2010, Invesco acquired Morgan Stanley's retail asset management business. Assets and returns prior to June 1, 2010 represent the accounts managed by Morgan Stanley. All the investment decision makers were employed by Invesco at the time of the acquisition.

Past performance is not indicative of future results. As with any investment vehicle there is always the potential for gains as well as the possibility of losses.

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All data as of Sept. 30, 2020

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