

# Invesco Global Real Estate Fund

## Q1 2026

## Key takeaways

- 1 The fund delivered a positive absolute return and outperformed its benchmark**

Relative performance was driven by country and sector level positioning, along with stock selection.
- 2 The fund is widely diversified across global real estate markets**

Selective adjustments to regional, country and sector positioning reflect valuation considerations, evolving fundamentals and elevated interest rate uncertainty.
- 3 Listed real estate remains, in our view, well positioned as investors appear to seek durable income amid elevated uncertainty**

Underlying property fundamentals remained broadly stable as investor risk appetites appeared to shift and capital allocation appeared to become more selective.

### Investment objective

The fund seeks total return through growth of capital and current income.

### Fund facts

Fund AUM (\$M)	106.12
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### Portfolio managers

PingYing Wang, Christopher Faems, Grant Jackson

## Manager perspective and outlook

- In the US, higher energy costs appeared to weigh on broader sentiment toward equities, particularly in cyclical and globally exposed sectors. By contrast, listed real estate benefited from an apparent rotation to stability, with US-oriented REITs showing resilience as a base case growth outlook supports rents and occupancies. Higher operating costs have appeared manageable, given apparent investor demand for dividend yield and conservative balance sheets. We expect structural demand and pricing power to support data centers and shopping centers, while senior housing stands out to us as a compelling growth area fueled by accelerating aging demographics and constrained new supply that could drive multi-year occupancy and profit margin recovery.
- Across Europe and Asia Pacific, softer growth and geopolitical uncertainty appeared to temper sentiment, but limited development and replacement cost inflation in our view support earnings durability for various property types in many markets.
- We believe listed real estate remains well positioned as investors appear to seek durable income and stocks with products that have lower obsolescence risk amid elevated uncertainty.
- Global listed real estate ended the quarter trading, on average, at underlying net asset value. The average has continued to mask wide value dispersions across countries and property types. Parts of Asia, Europe and the US traded at deep discounts to net asset value while Australia traded at notable premiums.



## Top issuers

(% of total market value)

	Fund	Index
Welltower Inc	7.95	7.26
Prologis Inc	5.69	6.55
Digital Realty Trust Inc	4.83	3.31
Equinix Inc	4.78	5.12
Simon Property Group Inc	3.45	3.23
Extra Space Storage Inc	2.96	1.48
Brixmor Property Group Inc	2.85	0.47
Omega Healthcare Investors Inc	2.68	0.69
Goodman Group	2.59	1.85
WP Carey Inc	2.57	0.79

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

## Portfolio positioning

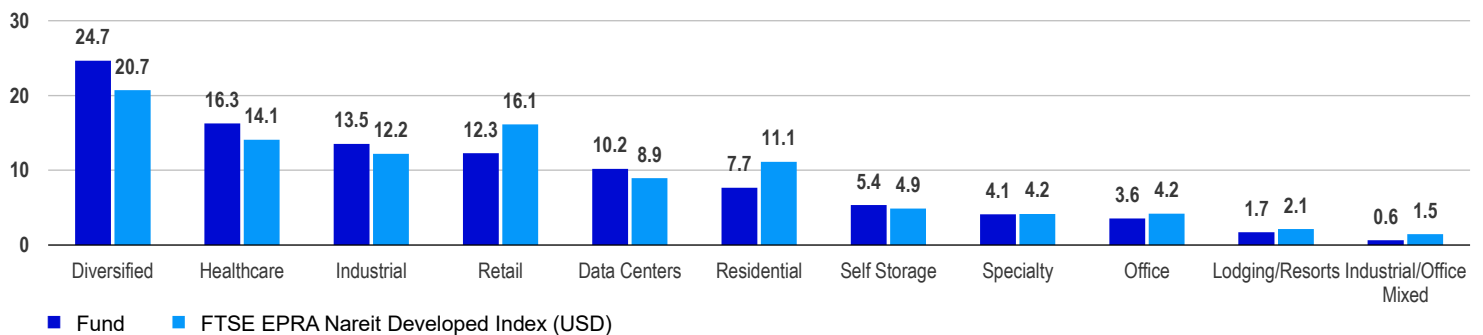
The fund remains broadly diversified across global listed real estate markets. Selective adjustments to regional, country and sector positioning during the quarter reflected valuation considerations, evolving fundamentals and elevated interest rate uncertainty. At the regional level, the fund ended the quarter overweight in North America relative to the benchmark. Asia Pacific remained an underweight as an increase in Hong Kong exposure was offset by a reduction in Japan. We reduced the active exposure in Europe, trimming positions amid heightened geopolitical risk and uneven economic momentum.

Asia Pacific positioning evolved during the quarter. Hong Kong remained a key overweight, led by increased exposure to developers, based on what we saw as attractive valuations and seemingly improving sentiment in the residential market. Exposure to the Hong Kong office segment also remained an important component, with a focus on higher quality platforms. We reduced exposure in Japan, lowering active positions across developers and JREITs given higher interest rate expectations and geopolitical uncertainty that offset favorable fundamentals.

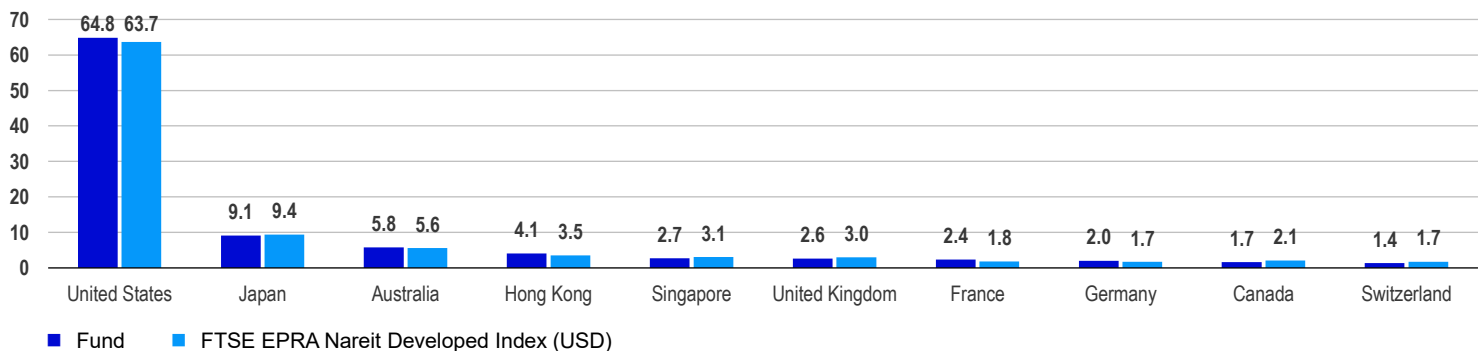
The fund remained underweight in Europe, reflecting heightened valuations and growth that is historically vulnerable to funding costs, energy prices and uncertainty. Within the UK, the fund maintained overweights in the industrial/office mix and self-storage sectors, reflecting a combination of what we see as attractive valuation, recovering fundamentals and company-specific catalysts. Conversely, the fund was underweight in UK office, residential, retail and health care, where valuation concerns appeared to persist amid high interest rates and limited near-term catalysts. Overall, the fund was underweight in Continental Europe; underweights in Germany, Switzerland and Sweden were partially offset by overweights in France, Spain, Belgium and the Netherlands.

Within North America, the fund remained overweight in the US, though we reduced the active position over the quarter. We trimmed residential exposure, reducing multi-family and single-family rentals as risk-reward dynamics appeared to shift due to further labor market uncertainty. We fully eliminated the fund's US infrastructure exposure during the quarter. This decision reflected rising headline volatility, repeated earnings and expectation resets, and growing complexity related to tenant disputes and potential litigation outcomes.

## Sector breakdown (% of total market value)



## Top countries (% of total market value)



## Top contributors (%)

Issuer	Return	Contrib. to return
Equinix, Inc.	28.35	0.94
Digital Realty Trust, Inc.	17.17	0.67
Sun Hung Kai Properties Limited	35.64	0.64
Iron Mountain Incorporated	24.01	0.50
Welltower Inc.	6.67	0.36

## Top detractors (%)

Issuer	Return	Contrib. to return
Goodman Group	-15.36	-0.42
Stockland	-22.77	-0.23
Camden Property Trust	-10.30	-0.20
Scentre Group Limited	-17.34	-0.16
UDR, Inc.	-6.70	-0.16

## Performance highlights

Country and sector level positioning and stock selection drove the fund's relative performance. Outcomes were uneven across regions amid seemingly shifting interest rate expectations and geopolitical developments. Overall, effective stock selection in Hong Kong and parts of continental Europe added to relative return, while headwinds were concentrated in the US, Japan and Australia.

### Contributors to performance

Hong Kong was the strongest contributor, supported by favorable stock selection and market allocation in developers, notably an overweight in **Sun Hung Kai**, with additional support from an overweight in office REIT **Hongkong Land**, as investor sentiment and company outlooks appeared to improve.

Continental Europe added to relative results, driven by stock selection and an underweight allocation. An underweight in Germany and stock selection in the country's residential segment benefited relative return. Elevated rate expectations and regulatory uncertainty continued to pressure the German residential market and maintaining an underweight was advantageous. Diversified REIT **Merlin**

**Properties**, based in Spain, added to relative performance. Its results were supported by a visible growth profile that reflects its early positioning in European data centers and its previous exit from European office exposures.

### Detractors from performance

The US was the largest contributor to absolute return but detracted the most from relative performance, due to negative sector allocation and stock selection. An underweight in health care REIT **Ventas** and not holding retail REIT **Realty Income** detracted from relative performance.

Regionally, Japan was the largest detractor due to negative stock selection across developers, particularly an underweight in **Mitsubishi Estate**, which outperformed on better-than-expected earnings results. Stock selection among JREITs also detracted as rising interest rate expectations and currency weakness appeared to weigh on large-cap JREITs.

Australia detracted due to the fund's exposure to underperforming large, diversified companies **Stockland** and **Goodman**.

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

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 04/29/05	NAV	1.47	1.47	7.38	4.69	0.54	1.91	3.97
	Max. Load 5.5%	-4.08	-4.08	1.50	2.73	-0.58	1.33	3.68
Class R6 shares inception: 09/24/12	NAV	1.61	1.61	7.93	5.18	1.02	2.37	3.66
Class Y shares inception: 10/03/08	NAV	1.43	1.43	7.67	4.93	0.78	2.15	4.34
Custom Global Real Estate Index		1.03	1.03	8.97	6.74	1.53	2.88	-
Total return ranking vs. Morningstar Global Real Estate category (Class A shares at NAV)		-	-	66% (107 of 153)	83% (119 of 152)	69% (103 of 148)	83% (115 of 129)	-

Expense ratios per the current prospectus: Class A: Net: 1.44%, Total: 1.44%; Class R6: Net: 0.95%, Total: 0.95%; Class Y: Net: 1.19%, Total: 1.19%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com](http://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. On March 12, 2007, the fund reorganized from a closed-end fund to an open-end fund. Class A share returns prior to that date are those of the closed-end fund's Common shares and include the fees applicable to Common shares. Fund performance was positively affected by a temporary 2% fee on redemptions that was in effect from March 12, 2007, to March 12, 2008. Without income from this temporary fee, returns would have been lower. Index sources: Invesco, 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	1.57	12.66	-6.16	22.47	-12.44	25.26	-25.23	8.60	-1.78	7.45
Class R6 shares at NAV	2.20	13.04	-5.85	23.12	-12.06	25.77	-24.86	9.17	-1.33	7.86
Class Y shares at NAV	1.82	13.02	-6.07	22.79	-12.21	25.50	-24.99	8.90	-1.54	7.73
Custom Global Real Estate Index	3.75	13.99	-6.37	22.50	-9.95	24.22	-25.09	9.67	0.94	9.58

### Portfolio characteristics\*

	Fund	Index
No. of holdings	74	357
Wtd. avg. mkt. cap (\$M)	38,573	39,452
Top 10 issuers (% of AUM)	40.34	36.25
Earnings multiple	18.60	18.10
Expected earnings growth (%)	6.30	5.00
Multiple to growth ratio	2.96	3.62
Leverage (%)	30.56	31.90

### Risk statistics (5 year)\*

	Fund	Index
Alpha (%)	-1.05	0.00
Beta	0.97	1.00
Sharpe ratio	-0.16	-0.11
Information ratio	-0.44	0.00
Standard dev. (%)	17.29	17.66
Tracking error (%)	2.24	0.00
Up capture (%)	92.52	100.00
Down capture (%)	99.70	100.00
Max. drawdown (%)	32.13	32.15

### Quarterly performance attribution

#### Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Data Centers	0.25	-0.08	0.17
Diversified	-0.13	0.04	-0.09
Healthcare	0.02	-0.09	-0.06
Industrial	-0.04	0.06	0.02
Industrial/Office Mixed	0.09	0.02	0.11
Infrastructure	-0.08	0.00	-0.08
Lodging/Resorts	-0.01	-0.01	-0.03
Office	0.04	0.09	0.13
Residential	0.29	-0.19	0.11
Retail	-0.09	-0.22	-0.30
Self Storage	0.01	-0.17	-0.16
Specialty	0.05	0.16	0.21
Cash	0.02	0.00	0.02
<b>Total</b>	<b>0.43</b>	<b>-0.39</b>	<b>0.04</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.**

## Performance attribution (cont'd)

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

	Total effect	Avg. weight	Total return
Hong Kong	0.34	3.79	24.63
Germany	0.10	1.50	-8.98
France	0.07	2.04	-0.82
Spain	0.05	0.67	9.08
Singapore	0.04	2.69	-4.08

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

	Total effect	Avg. weight	Total return
Japan	-0.29	9.54	-5.59
United States	-0.13	62.60	4.64
Australia	-0.11	6.20	-15.34
Czech Republic	-0.09	0.39	-20.78
Sweden	-0.03	1.54	-14.90

Unless otherwise specified, all information is as of 03/31/26. Unless stated otherwise, Index refers to Custom Global Real Estate Index.

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

The Custom Invesco Global Real Estate Index is composed of the FTSE EPRA/NAREIT Developed Index (Gross) index from the inception of the fund through 2/17/2005, the FTSE EPRA/NAREIT Developed Index (Net) index from 2/18/2005 through 6/30/2014, then the FTSE EPRA/NAREIT Global index (Net) from 7/1/2014 through 6/30/2021, and the FTSE EPRA/NAREIT Developed Index (Net) from 7/1/2021 onward. An investment cannot be made directly in an index.

#### About Risk

Active trading results in added expenses and may result in a lower return and increased tax liability.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

Convertible securities may be affected by market interest rates, the risk of issuer default, the value of the underlying stock, or the issuer's right to buy back the convertible securities.

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, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

The performance of an investment concentrated in issuers of a certain region or country is expected to be closely tied to conditions within that region and to be more volatile than more geographically diversified investments.

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

Mortgage- and asset-backed securities are subject to prepayment or call risk, which is the risk that the borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. Securities may be prepaid at a price less than the original purchase value.

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.

The Fund will incur a loss on a short position, which can be unlimited, if the price of the asset sold short increases from the short sale price. In a rising market, short positions will cause the Fund to underperform the overall market and its peers that do not engage in shorting. If the Fund holds both long and short positions, and they decline simultaneously, the short positions will not provide any buffer from declines in value for the long positions. Some short positions involve leverage, which may exaggerate any losses, potentially more than the actual cost of the investment, and increase the volatility of the Fund's returns.

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. **Earnings multiple** – Security price/expected earnings of the next 12 months. Earnings are defined as adjusted funds from operations (AFFO), funds from operations (FFO), or equivalent. **Multiple to growth ratio**—Earnings multiple/expected earnings growth over the next 12 months. Earnings are defined as adjusted funds from operations (AFFO), funds from operations (FFO), or equivalent. **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.**