

# Invesco EQV Emerging Markets All Cap Fund<sup>®</sup>

## Quarterly Performance Commentary

Mutual Fund Retail Share Classes  
Data as of Dec. 31, 2022



### Investment objective

The fund seeks long-term growth of capital.

### Portfolio management

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### Fund facts

Nasdaq	A: GTDDX	C: GTDCX Y: GTDYX
Total Net Assets	\$1,713,021,443	
Total Number of Holdings	55	

### Top holdings

	% of total net assets
Yum China HK	5.89
Arcos Dorados 'A'	4.75
HDFC Bank ADR	4.06
JD.com ADR	3.93
Taiwan Semiconductor	3.70
Gedeon Richter	3.62
Tongcheng Travel	3.34
Wuliangye Yibin 'A'	3.24
Samsung Electronics	3.06
Grupo Aeroportuario del Centro Norte	2.97

### Top contributors

	% of total net assets
1. Haci Omer Sabanci	1.61
2. Gedeon Richter	3.62
3. Yum China	5.89
4. Grupo Aeroportuario del Centro Norte	2.97
5. HDFC Bank	4.06

### Top detractors

	% of total net assets
1. Telkom Indonesia	1.15
2. Emami	1.11
3. Alibaba	0.00
4. Multiplan Empreendimentos Imobiliarios	2.73
5. China Resources Beer	2.53

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

### Market overview

- + Global equity markets posted gains for the fourth quarter after better inflation data sparked a rally in October and November. However, investor sentiment worsened in December after central banks signaled continued interest rate hikes into 2023 as inflation remained above target levels.
- + International stocks outperformed US stocks, led

by results in Europe and the UK.

- + Emerging market equities also posted gains for the fourth quarter, boosted by China, which eased its zero-COVID policy and started to reopen even as COVID infections surged.
- + A weaker US dollar was also beneficial for emerging market equities.

### Positioning and outlook

- + We added one new holding during the quarter, **ASPEED Technology** (0.50% of total net assets), a fabless integrated circuit design company in Taiwan. We exited four holdings: Chinese ecommerce company **Alibaba**, Chinese yeast company **Angel Yeast**, Chinese optical lenses manufacturer **Sunny Optical Technology** and South

Korean internet conglomerate **NAVER** (all 0.00% of total net assets).

- + Regardless of the macroeconomic environment, we remain focused on applying our well-established, long-term, bottom-up Earnings-Quality-Valuation (EQV) investment process that seeks to identify attractively valued, high quality growth companies.

### Performance highlights

- + Invesco EQV Emerging Markets All Cap Fund Class A shares at net asset value (NAV) outperformed its benchmark index during the quarter. (Please see the investment results table on page 2 for fund and index performance.)

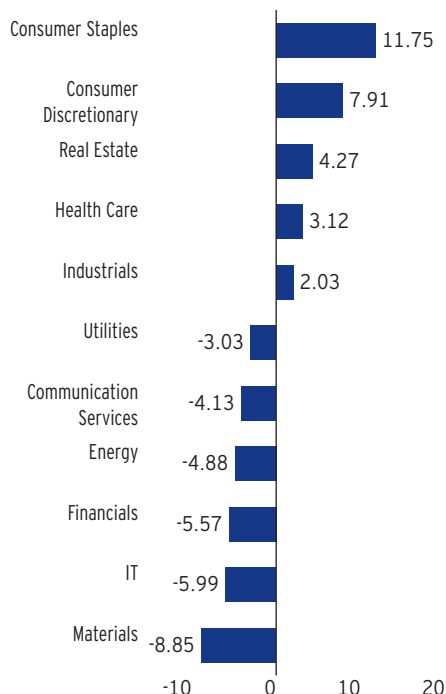
### Contributors to performance

- + Strong stock selection in the financials sector was a key contributor to relative outperformance. Within the sector, **HDFC Bank** in India and **BDO Unibank** (2.89% of total net assets) in the Philippines were notable contributors.
- + The fund's consumer discretionary holdings outperformed those of the benchmark sector, adding to relative results. Chinese online travel agency **Tongcheng Travel** (3.34% of total net assets) added to both absolute and relative returns.
- + Stock selection in industrials also contributed to relative performance.
- + Geographically, stock selection in India and Mexico added to relative results. An underweight in India, an overweight in Mexico and having no exposure in Saudi Arabia were also advantageous.
- + Turkish financials company **Haci Omer Sabanci** was the fund's largest individual contributor, driven by strong performance from its banking and energy subsidiaries combined with incremental improvement in Turkey's macroeconomic backdrop. In addition to robust earnings growth, **Sabanci** has also experienced a narrowing of the stock's discount to NAV.

### Detractors from performance

- + Stock selection and an underweight in the communication services sector detracted from relative results. An underweight in Chinese multinational technology company **Tencent** compared to the benchmark index hampered relative return.
- + Fund holdings in the real estate sector underperformed those of the benchmark sector, detracting from relative performance. **Multiplan Empreendimentos Imobiliarios** in Brazil was a key detractor within the sector.
- + Given the rising equity market, the fund's cash position (average of 4.1%) hampered relative performance. As a reminder, cash is by-product of our bottom-up stock selection process.
- + Geographically, stock selection and an underweight in China was the largest detractor from relative return. Fund holdings in South Korea and Indonesia outperformed those of the benchmark index, but an underweight in South Korea and an overweight in Indonesia hampered relative results.
- + Indonesian telecommunications company **Telkom Indonesia** was the fund's largest individual detractor. **Telekom** reported weak results and loss of market share in mobile subscribers. We trimmed the fund's position in the first half of 2022 and we will continue to monitor and make adjustments as necessary.

**The fund's positioning versus the MSCI Emerging Markets Index (% underweight/overweight)**



**Investment results**

Average annual total returns (%) as of Dec. 31, 2022

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 01/11/94	Inception: 03/01/99	Inception: 03/01/99	Inception: 10/03/08	Inception: 10/03/08	
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	MSCI Emerging Markets Index
Inception	4.43	4.63	7.66	7.66	5.43	-
10 Years	0.62	1.19	0.58	0.58	1.44	1.44
5 Years	-2.20	-1.08	-1.81	-1.81	-0.83	-1.40
3 Years	-5.37	-3.57	-4.28	-4.28	-3.32	-2.69
1 Year	-22.23	-17.70	-19.11	-18.30	-17.47	-20.09
Quarter	6.72	12.92	11.70	12.70	12.99	9.70

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.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. On Oct. 31, 1997, the fund reorganized from a closed-end fund to an open-end fund. Returns through that date are the closed-end fund's historical performance. Returns since that date are those of the open-end fund. Fees and expenses of the open-end fund differ from those of the closed-end fund. 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 source: FactSet Research Systems Inc.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	1.32	1.32	Intl Common Stock	96.53
Class C Shares	2.07	2.07	Cash	3.34
Class Y Shares	1.07	1.07	Other	0.13

Per the current prospectus

For more information you can visit us at [www.invesco.com/us](https://www.invesco.com/us)

■ On February 28, 2022, Invesco Emerging Markets All Cap Fund was renamed Invesco EQV Emerging Markets All Cap Fund. Please see prospectus for more information. 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 MSCI Emerging Markets Index (ND) is an unmanaged index considered representative of stocks of developing countries. The index is computed using the net return, which withholds applicable taxes for non-residents investors. An investment cannot be made directly in an index.

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**About risk**

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.

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

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.

In late February 2022, Russian military forces invaded Ukraine, significantly amplifying already existing geopolitical tensions among Russia, Ukraine, Europe, NATO and the West. Russia's invasion, the responses of countries and political bodies to Russia's actions, and the potential for wider conflict may increase financial market volatility and could have severe adverse effects on regional and global economic markets, including the markets for certain securities and commodities such as oil and natural gas. Following Russia's actions, various countries, including the U.S., Canada, the United Kingdom, Germany, and France, as well as the European Union, issued broad-ranging economic sanctions against Russia. While diplomatic efforts have been ongoing, the conflict between Russia and Ukraine is currently unpredictable and has the potential to result in broadened military actions. The duration of ongoing hostilities and corresponding sanctions and related events cannot be predicted and may result in a negative impact on performance and the value of Funds investments, particularly as it relates to Russia exposure.

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.

***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 financial professionals 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.