

Managed Income Fund

August 2014

Covering the month of July 2014



Fund Manager: Nick Mustoe

Key facts¹

Fund launch date	15 February 1997
Fund size	£277.81m
Legal status	UK authorised ICVC
Yield (Income share class)	
Historic yield ²	2.80%
Income distribution dates	31 July 31 October 31 January 30 April
Accounting period ends	31 May 30 November
Available within an ISA?	Yes

Market commentary

Global equity markets in the developed world rose steadily until the last week of July when investor confidence, positive for most of this year, was punctuated by a broad-based market retreat. The US economy roared ahead in the second quarter with annualised growth of 4%, confirming that weakness earlier this year may have been an aberration and that the recovery was back on track. However, the late retreat in the US equity market was primarily impacted by continued geo-political uncertainties in the Middle East and Ukraine together with Argentina's latest debt default. Nervousness surrounding the general valuation of US equity markets relative to historic levels also encouraged profit taking.

Fund strategy

We continue to believe that there is value in global equity markets with earnings yields, dividend yields and balance sheets looking attractive to us. The fund has a diversified growth strategy and is exposed to global equity markets. In terms of our fixed interest exposure, we continued to favour corporate and high yield bonds over government bonds. During July, we made no changes to asset allocation.

Investment objective

The Invesco Perpetual Managed Income Fund aims to achieve capital growth and a higher than average level of income from a portfolio primarily of Qualifying Funds. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions as detailed in Appendix 2 of the most recent Prospectus.

Performance

	% growth							
	3 months	6 months	1 year	3 years	5 years	ACR*	10 years	ACR*
Fund (Income share class)	2.35	5.45	6.53	31.39	66.97	10.80	126.52	8.52
IMA Sector	1.26	3.38	3.95	20.80	52.91	8.86	90.93	6.68

*ACR - Annual Compound Return

Standardised rolling 12-month performance

	% growth					
	30.6.09	30.6.10	30.6.11	30.6.12	30.6.13	30.6.14
Fund (Income share class)	18.64	15.84	-4.98	22.65	10.40	

Past performance is not a guide to future returns. Performance figures are shown in sterling on a mid-to-mid basis, inclusive of net reinvested income and net of the ongoing charge and portfolio transaction costs to 31 July 2014. The figures do not reflect the entry charge paid by individual investors. Chart figures overleaf are as at the end of the relevant month unless otherwise stated. The standardised past performance information is updated on a quarterly basis. Source: Lipper

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Breakdown by underlying funds ¹	%
Invesco Perpetual US Equity Fund	14.77
Invesco Perpetual Income Fund	14.66
Invesco Perpetual Corporate Bond Fund	12.74
Invesco Perpetual UK Strategic Income Fund	11.72
Invesco Perpetual Asian Fund	8.30
Invesco Perpetual European Equity Income Fund	8.19
Invesco Perpetual Japan Fund	6.98
Invesco Perpetual European Equity Fund	5.19
Invesco Perpetual UK Growth Fund	4.57
Invesco Perpetual Global Smaller Companies Fund	4.42
Invesco Perpetual Latin American Fund	2.33
Invesco Perpetual Asian Equity Income Fund	1.68
Invesco Perpetual Global Bond	1.32
Invesco Perpetual Emerging European Fund	0.67
Cash	2.46
Total	100
Total number of holdings	14

Five year performance

— Invesco Perpetual Managed Income Fund (Income share class)
— IMA Mixed Investment 40-85% Shares Sector



Past performance is not a guide to future returns. The chart shown above should be viewed in conjunction with the 'Standardised rolling 12-month performance' table overleaf.

- ¹ All fund portfolio figures within this leaflet are as at 31 July 2014 (source: Invesco Perpetual).
- ² The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. It does not include any entry charge and investors may be subject to tax on their distributions. The fund's ongoing charge is charged to capital. This has the effect of increasing the distributions for the year by the amount of the ongoing charge and constraining the fund's capital performance to an equivalent extent.

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The Manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund.

Important information

Where Invesco Perpetual has expressed views and opinions, these may change.

For more information on our funds and available share classes, please refer to the most up to date relevant fund and share class-specific Key Investor Information Documents, the Supplementary Information Document, the ICVC ISA Key Features and Terms & Conditions, the latest Annual or Interim Short Reports and the latest Prospectus. This information is available using the contact details shown.

Invesco Perpetual's ISAs are managed by Invesco Asset Management Limited.

Telephone calls may be recorded.

Contact information

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