



Invesco China Equity Fund (UK)

July 2021

Covering the month of June 2021



Fund managers: Mike Shiao (Lead) & Lorraine Kuo

Key facts¹

Mike Shiao (lead)

Managed fund since	June 2012
Industry experience	29 years
Based in	Hong Kong

Lorraine Kuo

Managed fund since	June 2012
Industry experience	22 years
Based in	Hong Kong

Fund launch date 18 December 1981

Fund size £519.77m

Legal status UK authorised ICVC

Yield (Z Accumulation share class)

Historic yield² 0.55%

Income distribution date(s) n/a

Accounting period ends 31 May
30 November

Available with an ISA? Yes

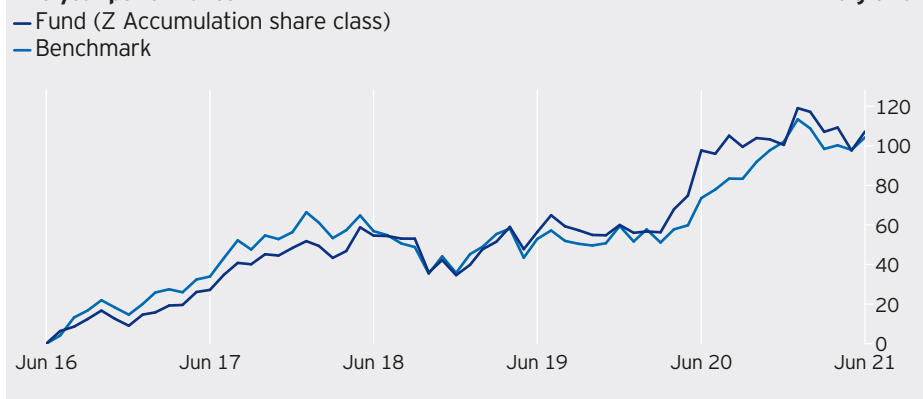
Fund investment objective and policy

The objective of the Fund is to achieve long-term (5 years plus) capital growth. The Fund invests at least 80% of its assets in shares of companies incorporated, domiciled or carrying out the main part of their economic activity in China, including Hong Kong. Exposure to China will be largely obtained through investment in securities traded on Hong Kong exchanges and other markets. The Fund may use derivatives (complex instruments) to manage the Fund more efficiently, with the aim of reducing risk, reducing costs and/or generating additional capital or income.

Fund strategy

The fund seeks to achieve long term capital growth through a portfolio of investments with exposure to the Chinese economy. The team follows a purely bottom-up, high conviction approach, seeking to invest in companies with sustainable leadership and competitive advantages whose share prices trade at a discount to what they consider to be fair value. The fund has a broad and diversified exposure to attractive opportunities which are benefiting from China's economic resilience and premium growth. Meanwhile, the team favours private enterprises whose interests are better aligned with those of its investors.

Five year performance



Performance

	% growth					
	1 year	3 years	5 years	5 years ACR*	10 years	10 years ACR*
Fund (Z Accumulation share class)	4.82	34.00	107.21	15.68	206.42	11.84
Benchmark	17.69	30.22	104.26	15.35	139.19	9.10

*ACR - Annual Compound Return

Standardised rolling 12-month performance

	% growth				
	30.06.16	30.06.17	30.06.18	30.06.19	30.06.20
	30.06.17	30.06.18	30.06.19	30.06.20	30.06.21
Fund (Z Accumulation share class)	27.14	21.62	1.14	26.40	4.82
Benchmark	33.89	17.16	-2.53	13.52	17.69

Past performance is not a guide to future returns. Performance figures are based on the Z Accumulation share class. As this was launched on 12 November 2012, for the periods prior to this launch date, performance figures are based on the accumulation share class, without any adjustment for fees. Performance figures for all share classes can be found in the relevant Key Investor Information Document. Fund performance figures are shown in sterling, inclusive of reinvested income and net of the ongoing charge and portfolio transaction costs to 30 June 2021 unless otherwise stated. The standardised past performance information is updated on a quarterly basis. Source: Lipper.

Benchmark

Benchmark: MSCI China 10/40 Index GBP (Net Total Return)

This is a Comparator Benchmark. Given its geographic focus the Fund's performance can be compared against the Benchmark. However, the Fund is actively managed and is not constrained by any benchmark.

Top 10 holdings¹	%	Country of investment breakdown¹	%
Meituan Dianping	9.52	China	58.95
Tencent	9.34	Hong Kong	26.33
JdCom	7.21	Taiwan	8.04
Pinduoduo	5.05	Cayman Islands	5.43
Alibaba	4.89	Cash	1.25
Alibaba Group	4.86	Total	100
Asustek Computer	4.23		
NetEase	4.20		
Shandong Weigao	4.05		
Iqiyi	3.82		
Total Top 10 Holdings (%)	57.17		
Total number of holdings	35		

Industry breakdown¹	%
Consumer Discretionary	42.02
Communication Services	25.04
Health Care	12.69
Consumer Staples	7.05
Information Technology	4.46
Financials	3.31
Industrials	1.60
Utilities	1.50
Materials	1.08
Cash	1.25
Total	100

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 invests in emerging and developing markets, where there is potential for a decrease in market liquidity, which may mean that it is not easy to buy or sell securities. There may also be difficulties in dealing and settlement, and custody problems could arise.
- The Fund may use Stock Connect to access China A Shares traded in mainland China. This may result in additional liquidity risk and operational risks including settlement and default risks, regulatory risk and system failure risk.
- Although the fund does not actively pursue a concentrated portfolio, it may have a higher degree of risk than a fund which invests in a broader range of companies or takes smaller positions in a relatively large number of holdings.
- The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing and/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.
- As a result of COVID-19, markets have seen a noticeable increase in volatility as well as, in some cases, lower liquidity levels; this may continue and may increase these risks in the future.

Contact information

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Telephone calls may be recorded.

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Important information

- ¹ All fund portfolio figures within this leaflet are as at 30 June 2021 (source: Invesco).
- 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.

Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice. This document is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. The information provided is for illustrative purposes only, it should not be relied upon as recommendations to buy or sell securities.

For the most up to date information on our funds, please refer to the relevant fund and share class specific Key Investor Information Documents, the Supplementary Information Document, the ICVC ISA Terms and Conditions, the Annual or Interim Reports and the Prospectus, which are available using the contact details shown.

Who is this fund for?

The fund might be right for you if you:

- Are a private or professional investor looking for growth over the long term.
- Are able to make an informed investment decision based on this document and the Key Investor Information Document (KIID).
- Are willing to accept that your capital is at risk and you may not get back the amount invested.

The fund will not be right for you if you:

- Require capital protection or have no appetite for risk.