Key Information Document

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

City Merchants High Yield Trust Limited
Ordinary Shares (ISIN: JE00B6RMDP68)

Invesco Fund Managers Limited (the "PRIIP Manufacturer")
www.invesco.co.uk/investmenttrusts
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Invesco Fund Managers Limited is authorised and regulated by the Financial Conduct Authority.
Revised on 01/10/2018.

What is this product?

Type

City Merchants High Yield Trust Limited (the "Company") is a closed-ended investment company incorporated in Jersey, Channel Islands, whose shares are traded on the London Stock Exchange. The Company is regulated by the Jersey Financial Services Commission.

Objectives

- The Company invests its assets with the aim of spreading investment risk and generating a return for shareholders.
- The Company aims to obtain both high income and capital growth from investment, predominantly in high-yielding fixed-interest securities.
- The Company is actively managed within its objectives and is not constrained by a benchmark.
- The Company may borrow money to invest in the stock market within prescribed limits with the aim of enhancing returns.
- The Company may use derivatives (contracts whose value is linked to the value of an underlying investment) with the aim of reducing risk, reducing costs and/or generating additional capital or income.
- The Net Asset Value (NAV) return of the Company corresponds directly to the performance of the securities in which it invests and the income from them. The share price, which will determine the return to the investor, will also be affected by supply and demand. Consequently, the return to the investor may be higher or lower than the underlying NAV return.
- At any given time, the price you pay for a share will typically be higher than the price at which you could sell it.

Intended Retail Investor

The Company is intended for investors aiming for income and capital growth over the long term who may not have specific financial expertise but are able to make an informed investment decision based on this document, the AIFMD investor information document and most recent Annual and Half-Yearly Financial Reports, have a risk appetite that is consistent with the risk indicator displayed within this document and understand that there is no capital guarantee or protection (100% of capital is at risk).

Term

The Company does not have a fixed life but there is a continuation vote at every Annual General Meeting. The Company can only be wound up with shareholders' consent.

What are the risks and what could I get in return?

Risk indicator

Lower Risk — Higher Risk

Typically lower rewards — Typically higher rewards

1	2	**3**	4	5	6	7

The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets.

We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low risk level, and poor market conditions are unlikely to impact the product's performance.

This product does not include any protection from future market performance so you could lose some or all of your investment.

The portfolio has a significant proportion of high-yielding bonds, which are of lower credit quality and may result in large fluctuations in the NAV of the product.

The product may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events.

The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The product uses derivatives for efficient portfolio management which may result in increased volatility in the NAV.

A more detailed description of risk factors that apply to this product is set out in the latest Annual Financial Report.

Performance scenarios

Investment £10,000

		1 year	3 years	5 years Recommended holding period
Stress scenario	**What you might get back after costs**	£7,793	£7,434	£6,038
	Average return each year	-22.07%	-9.41%	-9.60%
Unfavourable scenario	**What you might get back after costs**	£9,528	£9,993	£10,758
	Average return each year	-4.72%	-0.02%	1.47%
Moderate scenario	**What you might get back after costs**	£10,679	£12,176	£13,883
	Average return each year	6.79%	6.78%	6.78%
Favourable scenario	**What you might get back after costs**	£11,965	£14,831	£17,910
	Average return each year	19.65%	14.04%	12.36%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Invesco Fund Managers Limited is unable to pay out?

The assets of the Company are entrusted to The Bank of New York Mellon (International) Limited (the "Depositary"). If Invesco Fund Managers Limited encounters financial difficulties these assets will not be affected. If financial instruments are lost, the Depositary (or its delegates), are generally required to return equivalent assets/value to the Company. If the Depositary (or its delegates) encounter financial difficulties, the Company could suffer a loss in some circumstances. As a shareholder you will not be able to make a claim against the Company or the PRIIP Manufacturer under the Financial Services Compensation Scheme.

What are the costs?
The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.
The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Cost over time
The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment £10,000

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of 5 years
Total Costs	£113	£389	£744
Impact on return (RIY) per year	1.13%	1.13%	1.13%

Composition of costs
The table below shows:
- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

Impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	
Ongoing costs	Portfolio transaction costs	0.09%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.04%	The impact of the costs that we take each year for managing your investment.
Incidental costs	Performance fees	n.a.	
	Carried interests	n.a.	

How long should I hold it and can I take my money out early?
Recommended holding period: 5 years
We have selected 5 years as the product invests for the long term. You can sell some or all of your investment directly through a stockbroker, an execution-only dealing service or if you invest through a provider of packaged products, that provider, on any business day.
If you sell some or all of your investment before 5 years the product will be less likely to achieve its objectives however, you will not incur any additional costs by doing so.

How can I complain?
You should contact the Head of our Contact Centre at Invesco, PO Box 11150, Chelmsford, CM99 2DL, UK.

Other relevant information
The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. The performance scenarios in this document are estimates based on evidence from the past; future market conditions and other factors will lead to outcomes different from those shown. The investor information document required under AIFMD provides you with key information about the product which you are advised to read so you can make an informed decision about whether to invest. This document together with the Annual and Half-Yearly Financial Reports, Company Announcements and other information is available on www.invesco.co.uk/investmenttrusts.