



Invesco Global Bond Fund (UK)

June 2022

Covering the month of May 2022



Fund manager: Stuart Edwards

Key facts¹

Stuart Edwards	
Managed fund since	March 2010
Industry experience	24 years
Based in	Henley -on- Thames
Fund launch date	10 March 1992
Fund size	£186.25m
Legal status	UK authorised ICVC
Yield (Z Accumulation share class)	
Distribution yield ²	3.55%
Income distribution date(s)	30 June 31 December
Accounting period ends	30 April 31 October
Available with an ISA?	Yes

Benchmark

Benchmark: Investment Association Global Mixed Bond Sector*

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

* Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to facilitate comparison between funds with broadly similar characteristics.

Fund investment objective and policy

The objective of the Fund is to achieve income and capital growth over the medium to long-term (3 to 5 years plus). The Fund invests at least 80% of its assets in debt securities (which may be investment grade, non-investment grade or have no credit rating) and currencies globally. The Fund may use derivatives (complex instruments) for investment purposes and 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 is mainly invested in government bonds (both developed and emerging markets). Currently this exposure includes both conventional and inflation linked government bonds. Additional exposure is held in corporate bonds and some corporate emerging market bonds where we can benefit from the extra yield available. Currency markets provide a further source of potential return for the fund.

Five year performance



Performance

	1 year	3 years	5 years	5 years ACR*	10 years	10 years ACR*
Fund (Z Accumulation share class)	-3.68	-0.93	1.07	0.21	25.70	2.31
Benchmark	-6.02	-0.90	2.22	0.44	23.51	2.13

*ACR - Annual Compound Return

Standardised rolling 12-month performance

	31.03.17	31.03.18	31.03.19	31.03.20	31.03.21	31.03.22
Fund (Z Accumulation share class)	-1.24	1.16	0.33	5.33	-1.99	-3.34
Benchmark	-0.61	2.47	0.16	6.68	-3.34	-3.34

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 income 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 31 May 2022 unless otherwise stated. Sector average performance is calculated on an equivalent basis. The standardised past performance information is updated on a quarterly basis. Source: Lipper.

Costs and charges of the fund

For a full breakdown of the charges that apply to each share class of the fund, please refer to our ICVC Costs & Charges document www.invesco.com/uk/icvc-charges.

Top 10 bond issuers ¹	%	Credit rating breakdown ¹	%
US	11.16	AAA	17.27
Italy	7.01	AA	6.58
Mexico	4.73	A	13.68
South Africa	4.38	BBB	36.08
Australia	3.95	BB	17.33
BNP Paribas	3.09	B	0.55
UK	3.06	CCC	0.72
Invesco Global Emerging Markets Bond Fund (UK)	2.67	CC	0.16
Scottish Hydro	2.47	ICVC	2.67
Nat West	2.45	Derivatives	0.11
		Cash	4.87
Total Top 10 Issuers (%)	44.96	Total	100
Total number of holdings	131		

Currency exposure breakdown ¹	%
Euro	33.92
UK Sterling	25.66
US Dollar	16.43
Japanese Yen	11.91
South African Rand	3.88
Norwegian Krone	3.18
Indonesian Rupiah	1.60
Polish Zloty	1.25
Brazilian Real	1.10
Chilean Peso	1.01
Mexican Peso	0.10
Canadian Dollar	0.07
New Zealand Dollar	0.01
Peruvian Sol	0.00
Russian Ruble	0.00
Swedish Krona	0.00
Australian Dollar	-0.13
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 securities that the Fund invests in may not always make interest and other payments nor is the solvency of the issuers guaranteed. Market conditions, such as a decrease in market liquidity for the securities in which the Fund invests, may mean that the Fund may not be able to sell those securities at their true value. These risks increase where the Fund invests in high yield or lower credit quality bonds.
- 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 has the ability to make use of financial derivatives (complex instruments) which may result in the fund being leveraged and can result in large fluctuations in the value of the fund. Leverage on certain types of transactions including derivatives may impair the fund's liquidity, cause it to liquidate positions at unfavourable times or otherwise cause the fund not to achieve its intended objective. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested resulting in the fund being exposed to a greater loss than the initial investment.
- The fund may be exposed to counterparty risk should an entity with which the fund does business become insolvent resulting in financial loss.
- The fund's performance may be adversely affected by variations in interest rates.
- The fund has the ability to invest more than 35% of its value in securities issued by a single government or public international body.
- 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 31 May 2022 (source: Invesco).

² The yield shown is expressed as % per annum of current NAV of the fund. It is an estimate for the next 12 months, assuming that the fund's portfolio remains unchanged and there are no defaults or deferrals of coupon payments or capital repayments. It is not guaranteed. It is shown net of the ongoing charge. Investors may be subject to tax on distributions. Cash income is estimated coupons from bonds and, where applicable, estimated dividends from equities.

The distribution yield estimates the cash distribution to the shareholders: in addition to expected cash income, it includes the amortised annual value of unrealised capital gains/losses of current bond holdings, calculated with reference to their historic purchase price and expected redemption value (known as 'effective yield from purchase price' method). For this fund the distribution yield is the same as the underlying yield.

Where, in the Manager's judgement, there is significant uncertainty that a bond holding will be redeemed at par, the amortised capital component for that holding is retained in the fund's capital and not distributed. This has the effect of reducing the estimated distribution and underlying yields and the actual distribution rate.

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.

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 income and growth over the medium to 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.