



Invesco Emerging European Fund (UK)

March 2022

Covering the month of February 2022

Effective 11 March 2022 the Invesco Emerging European Fund (UK) will be liquidated. Please note that from 1 December 2021 investments into the fund from new investors will not be accepted. Update as at 25 February 2022 - Due to the unprecedented events in Ukraine, yesterday we took the decision to sell all the shares held in Russian companies earlier than the planned liquidation date. This process has now been completed and all proceeds are being held as cash within the fund until the fund is liquidated on 11 March 2022. We believe this course of action is in the best interests of investors in the fund given the planned liquidation of the fund.

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 emerging European countries, including Russia. 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 active exposure to the best investment opportunities in Emerging Europe. We combine two key elements in building our investment portfolio: (1) stock selection driven by bottom-up research aimed at finding what we believe are undervalued investment opportunities and (2) portfolio construction that seeks to optimise risk-return outcomes through diversification that considers our relative exposure across countries and industries. The Russian market is the largest in the region and forms the core of the fund, while we also diversify by seeking out attractive opportunities in markets such as Poland, Greece and Turkey.



Fund manager: Nicholas Mason

Key facts¹

Nicholas Mason	
Managed fund since	October 2013
Industry experience	22 years
Based in	Henley -on- Thames
Fund launch date	12 December 2007
Fund size	£6.45m
Legal status	UK authorised ICVC
Yield (Z Accumulation share class)	
Historic yield ²	7.32%
Income distribution date(s)	30 September
Accounting period ends	31 January 31 July
Available with an ISA?	Yes

Benchmark

Benchmark: MSCI Emerging Markets (EM) Eastern Europe 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.

Five year performance



Performance

	1 year	3 years	5 years	5 years ACR*	10 years	10 years ACR*
Fund (Z Accumulation share class)	-38.27	-30.25	-23.41	-5.19	-8.37	-0.87
Benchmark	-34.07	-32.05	-21.30	-4.67	-22.29	-2.49

*ACR - Annual Compound Return

Standardised rolling 12-month performance

	31.12.16	31.12.17	31.12.18	31.12.19	31.12.20	31.12.21
Fund (Z Accumulation share class)	11.24	-4.76	27.24	-9.84	26.51	
Benchmark	7.06	1.58	29.31	-14.69	18.83	

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 28 February 2022 unless otherwise stated. Source Lipper. The standardised past performance information is updated on a quarterly basis.

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 Issuers¹	%	Industry breakdown¹	%
Powszechny Zaklad Ubezpieczen	7.00	Financials	22.65
OTP Bank	6.18	Consumer Staples	7.50
Jeronimo Martins	4.98	Industrials	3.64
Bank Leumi Le-Israel	3.46	Cash	66.21
Eurobank Ergasias Services and Holdings	2.22	Total	100
Warsaw Stock Exchange	1.90		
KRUK	1.89		
Mytilineos	1.86		
Wizz Air Holdings	1.78		
Anadolu Efes Biracilik Ve Malt Sanayii	1.67		
Total Top 10 Holdings (%)	32.94		
Total number of holdings	11		

Country of investment breakdown¹	%
Poland	17.54
Hungary	6.19
Greece	4.08
Israel	3.46
Turkey	1.67
Czech Republic	0.85
Cash	66.21
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.
- As the fund typically has a concentrated number of holdings, it may carry a higher degree of risk than a fund which invests in a broader range of holdings or takes smaller positions in a relatively large number of holdings.
- The fund will invest directly in Russia, which can involve significant risks to capital.
- 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 28 February 2022 (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. Investors may be subject to tax on their distributions.

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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.