Invesco

Data as at 29 February 2024

Invesco High Yield Fund (UK)

Z-Accumulation Shares | SEDOL: B8N4598 | ISIN Code GB00B8N45980 | Bloomberg code IEHYZRA:LN

Why invest in this fund

1. We invest actively, supported by fundamental research by a highly experienced team of credit analysts.
2. With over £8bn in high yield bonds managed by the team, high yield is a core expertise.
3. A blend of risk – high yield corporates and subordinated bonds.

Top issuers

(% of total net assets)

	Fund
Co-operative Bank Holdings Ltd/The	2.55
Barclays PLC	2.14
Nationwide Building Society	1.93
Deutsche Bank AG	1.45
Commerzbank AG	1.45
Zenith Finco PLC	1.40
RAC Bond Co PLC	1.38
Very Group Funding Plc/The	1.32
Newday Bondco Plc	1.30
TVL Finance PLC	1.27

Investment categories (%)

Sub-Investment grade bonds	79.9
Investment grade bonds	11.2
Cash & cash equivalent	5.1
Govt/Agency	2.2
Equities	1.6
Others	0

Portfolio characteristics

Total number of holdings	198
Weighted avg. effective maturity (years)	2.67
Weighted avg. duration	3.33
Avg. credit rating	B+

What this fund does

The fund invests in a portfolio of higher-yielding securities, including corporate high yield and subordinated bonds. Portfolio management is active and based on both top-down and bottom-up fundamental research.

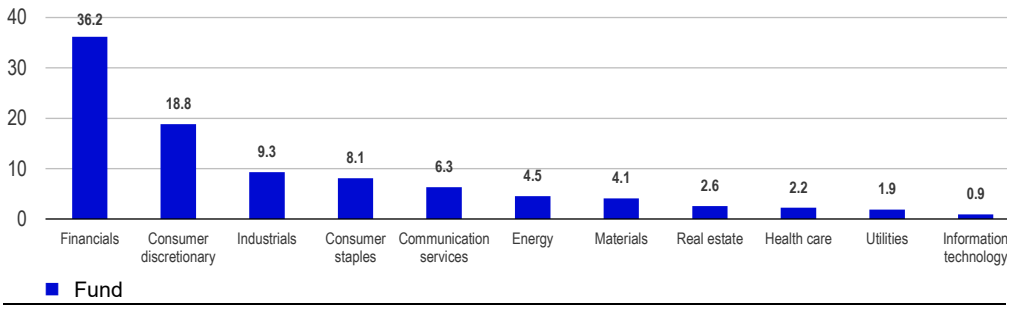
Fund objective

The Fund aims 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 corporate and government debt securities which are either non-investment grade or unrated. In pursuing the Fund's investment objective, the fund manager may consider it appropriate to also invest in other transferable securities (including investment grade debt securities), equities, money-market instruments, collective investment schemes (including funds managed by the Invesco group), deposits and cash.

Fund overview

Portfolio managers (Fund tenure)	Thomas Moore (2016), Tom Hemmant (2020)
Total net assets	£ 342.57 million
Distribution frequency	Quarterly
Fund launch date	14 May 1999
Legal status	UK Authorised ICVC
Share class currency	GBP
Distribution yield (%)	7.01
Yield to maturity (%)	9.14
Investment Association sector	IA £ High Yield
ISA availability	Yes

Sector breakdown (% of total net assets)



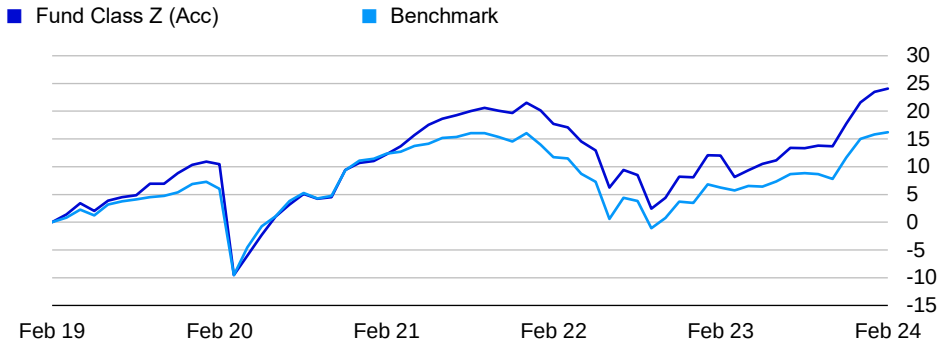
Bond quality (%)

A	0.64
BBB	11.88
BB	42.59
B	34.53
CCC and below	5.74
Not rated	4.62

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 is theme-based or invests in a specific sector or a small number of sectors and/or industries. Investors should be prepared to accept a higher degree of risk than for a Fund that is more widely diversified across different sectors/industries.
- The debt securities that the Fund invests in may not always make interest and other payments and nor is the solvency of the issuers guaranteed. Market conditions, such as a decrease in market liquidity, may mean that the Fund may not be able to buy or sell debt securities at their true value. These risks increase where the Fund invests in high yield, or lower credit quality, bonds.
- 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.
- As one of the key objectives of the Fund is to provide income, the ongoing charge is taken from capital rather than income. This can erode capital and reduce the potential for capital growth.
- The Fund may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events.
- The Fund's performance may be adversely affected by variations in interest rates.
- The Fund is invested in perpetual bonds (bonds without a maturity date) which may be exposed to additional liquidity risk in certain market conditions, and in particular, stressed market environments. This would have a negative impact on the value of these investments which in turn, would have a negative impact on the Fund's performance.

Five year performance



Performance (%)

	1 year	3 years	5 years	5 years ACR*
Fund	10.75	10.53	24.08	4.41
Benchmark	9.36	3.45	16.21	3.05

*ACR - Annual Compound Return

Standardised rolling 12-month performance (%)

	31.12.2018 31.12.2019	31.12.2019 31.12.2020	31.12.2020 31.12.2021	31.12.2021 31.12.2022	31.12.2022 31.12.2023
Fund	14.87	0.30	9.78	-11.05	12.51
Benchmark	11.53	3.85	4.45	-10.78	11.16

Past performance is not a guide to future returns

Bond maturity (%)

20+ Yrs	31.16
16-20 Yrs	0.36
7-11 Yrs	7.99
4-7 Yrs	21.42
0-4 Yrs	39.06

Performance figures are based on the Z Accumulation share class. 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 29 February 2024 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.

Benchmark

Investment Association Sterling High Yield 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.

Important information

Views and opinions are based on current market conditions and are subject to change.
This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell 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. If investors are unsure if this product is suitable for them, they should seek advice from a financial adviser.
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 financial reports and the Prospectus, which are available using the contact details shown.
The yield shown is expressed as a % per annum of the 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. The yield is not guaranteed. Nor does it reflect any charges. Investors may be subject to tax on distributions.

Contact information

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Telephone calls may be recorded.

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Authorised and regulated by the Financial Conduct Authority.

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.

Cost 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.

Glossary

ACR/ Annual Compound Return: Compound returns represent the cumulative effect that gains and losses have on invested capital over time. Annual Compound Return is the annual rate of return that would be required for an investment to grow from its starting balance to its ending balance.
Benchmark: A standard against which an investment fund or portfolio is measured to give an indication of relative performance.
Collective investment schemes: Pooled investment funds that are managed by professional investment managers.
Contingent convertible bonds: A fixed income instrument that is convertible into stock if a pre-specified event occurs.
Credit Rating/ Quality: The 'quality' of a bond is an indication of the bond issuer's financial strength and/or its ability to pay a bond's face value when it reaches maturity. Quality is rated using a AAA (higher quality) – CCC (lower quality) system.
Distribution frequency: How often dividends and/or interest generated by an investment product are disbursed to investors.
Distribution yield: A measurement of the annual income payments made to fund shareholders as a percentage of its share price.
Duration: The weighted average time, in years, it could take for an investor to recoup a bond's value through future cash flows, such as interest and principal payment.
Effective maturity: The average time it takes for a bond's cash flows, including interest and principal payments, to be realised.
Financial derivatives: Financial contracts whose value depends on an underlying asset or benchmark.
High yield bond: Bonds rated lower than investment grade by the major credit ratings agencies.
Holdings: The contents of an investment portfolio or fund, including any products like equities, bonds or ETFs.
ICVC: Investment Company with Variable Capital. A type of collective investment portfolio that invests in different equities, bonds and other securities.
Index: A collection of stocks chosen to represent the performance of a particular market or sector, e.g. FTSE 100 or S&P 500.
Investment category: The type of bond issuer relating to bonds held in the portfolio, e.g. corporate, or government issued.
Investment grade bond: Bonds rated Baa3/BBB- or better by the major credit ratings agencies.
Leverage: The ratio of a company's debt to the value of its common stock.
Maturity: How far in the future the bond issuer is set to pay back everything they owe to bondholder
Money market instruments: Financial instruments that are issued with a maturity of one year or less.
Yield to maturity: The total return anticipated on a bond if the bond is held until it matures.