

Invesco Developing Markets Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of March 31, 2022



Limited Offering

Investment objective

The fund seeks capital appreciation.

Portfolio management

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Fund facts

Nasdaq	A: ODMAX	C: ODVCX
		Y: ODVYX
Total Net Assets	\$36,556,766,591	
Total Number of Holdings	76	

Top issuers % of total net assets

Taiwan Semiconductor Manufacturing Co Ltd	9.64
Housing Development Finance Corp Ltd	5.86
AIA Group Ltd	4.87
Grupo Mexico SAB de CV	4.63
Kotak Mahindra Bank Ltd	4.37
Tata Consultancy Services Ltd	4.17
Yum China Holdings Inc	3.42
Tencent Holdings Ltd	3.24
Cie Financiere Richemont SA	3.20
NetEase Inc	3.09

Top contributors % of total net assets

1. Grupo Mexico SAB de CV	4.63
2. Vale SA	1.60
3. Bundl Technologies Pvt Ltd	0.51
4. FirstRand Ltd	1.02
5. Wal-Mart de Mexico SAB de CV	2.14

Top detractors % of total net assets

1. Novatek PJSC (100% discounted due to halted trading)	0.00
2. Yandex NV (100% discounted due to halted trading)	0.00
3. Grab Holdings Ltd	0.91
4. Polyus PJSC (100% discounted due to halted trading)	0.00
5. Tencent Holdings Ltd	3.24

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

+ Russia's invasion of Ukraine and the swift, unprecedented level of sanctions the global community imposed on Russia drove volatility in the first quarter. Energy and commodity markets were roiled as Russia is a large exporter across multiple categories, including crude oil, natural gas, gold, nickel and cobalt. Investors in Russian securities were stunned by the Russian equity

market closure and suspended trading of Russian ADRs and GDRs. Despite the devastation of the invasion, there have been pockets of recovery and resilience throughout the emerging markets as economies and consumers began the arduous recovery process from the COVID-19 pandemic and lockdowns.

Positioning and outlook

+ The largest position we added during the quarter was **Banco Bradesco** (1.27% of total net assets). **Banco Bradesco** offers a range of banking services primarily operating in Brazil and Argentina. We also initiated a position in **HDFC Bank** (0.29% of total net assets), which operates in India where large swathes of the population underutilize banks, creating significant potential for growth.

+ The largest position exited during this quarter was **Pinduoduo** (0.00% of total net assets), an interactive ecommerce platform in China. We decided to sell this holding due to a change in consumer spending habits attributed to China's

zero COVID policy.

+ During this period of crisis and uncertainty, we remain focused on understanding the macroeconomic pressures that are idiosyncratic to emerging markets. However, we are unwavering in our approach as bottom-up investors who focus on the long-term investment horizon and avoid tactical decisions. We will continue to seek high quality companies that have durable long-term growth potential supported by strong competitive positions, balance sheets and cash flows that will allow them to thrive in the post-COVID world.

Performance highlights

+ Invesco Developing Markets Fund Class A shares at net asset value (NAV) underperformed its benchmark index for the quarter. (Please see the investment results table on page 2 for fund and index performance.)

Contributors to performance

+ Stock selection in the information technology, consumer staples and materials sectors contributed to relative performance.

+ Geographically, an overweight allocation and stock selection in Mexico added to relative performance. Overweight allocations to Hong Kong and India also contributed to relative return.

+ The largest individual contributor to absolute return was **Grupo Mexico**, a diversified mining company based in Mexico that boasts a portfolio of unique assets including copper. Copper should rise in importance as electric vehicles and other forms of renewable energy depend heavily on the metal.

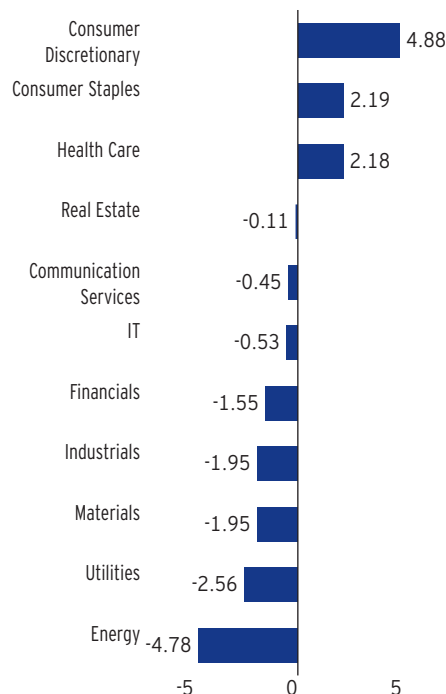
Detractors from performance

+ Stock selection in the energy, communication services and financials sectors detracted from relative performance.

+ Geographically, stock selection and an overweight allocation in Russian equities negatively affected relative performance. An overweight in Singapore, where the benchmark has no allocation, detracted from relative return. Having no allocation to Saudi Arabian equities also detracted from relative results.

+ **NOVATEK**, based in Russia, has been held in the fund for nearly 15 years and is one of the largest independent global gas producers. We believe it has considerable growth options in its portfolio of low cost, competitively advantaged liquified natural gas (LNG) projects. However, Russian equities were devastated this quarter by global sanctions imposed on the country following its invasion of Ukraine.

The fund's positioning versus the MSCI Emerging Markets Index (% underweight/overweight)



Investment results

Average annual total returns (%) as of March 31, 2022

Period	Class A Shares		Class C Shares		Class Y Shares	Style-Specific Index
	Inception: 11/18/96	Inception: 11/18/96	Inception: 11/18/96	Inception: 11/18/96	Inception: 09/07/05	
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	MSCI Emerging Markets Index
Inception	9.95	10.20	9.93	9.93	7.14	-
10 Years	2.37	2.95	2.34	2.34	3.22	3.36
5 Years	2.69	3.86	3.08	3.08	4.11	5.98
3 Years	-1.60	0.28	-0.47	-0.47	0.53	4.94
1 Year	-26.92	-22.67	-23.97	-23.25	-22.47	-11.37
Quarter	-20.39	-15.77	-16.77	-15.92	-15.71	-6.97

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.invesco.com/performance) for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary, and you may have a gain or a loss when you sell shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class Y shares have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information. Index returns do not reflect any fees, expenses, or sales charges. As the result of a reorganization on May 24, 2019, the returns of the fund for periods on or prior to May 24, 2019 reflect performance of the Oppenheimer predecessor fund. Share class returns will differ from the predecessor fund due to a change in expenses and sales charges.

Index source: RIMES Technologies Corp.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	1.20	1.20	Intl Common Stock	95.20
Class C Shares	1.95	1.95	Dom Common Stock	0.15
Class Y Shares	0.95	0.95	Cash	4.65

Per the current prospectus

For more information you can visit us at www.invesco.com/us

Effective as of the close of business on May 24, 2019, the fund closed to new investors. For more information on who may invest in the fund, please see the prospectus.

Class Y shares are available only to certain investors. See the prospectus for more information.

The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

The MSCI Emerging Markets Index (ND) is an unmanaged index considered representative of stocks of developing countries. The index is computed using the net return, which withholds applicable taxes for non-residents investors. An investment cannot be made directly in an index.

About risk

In general, stock and other equity securities values fluctuate, sometimes widely, in response to activities specific to the company as well as general market, economic and political conditions.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

ESG considerations may vary across investments and issuers, and not every ESG factor may be identified or evaluated for investment. The Fund will not be solely based on ESG considerations; therefore, issuers may not be considered ESG-focused companies. ESG factors may affect the Fund's exposure to certain companies or industries and may not work as intended. The Fund may underperform other funds that do not assess ESG factors or that use a different methodology to identify and/or incorporate ESG factors. ESG is not a uniformly defined characteristic and as a result, information used by the Fund to evaluate such factors may not be readily available, complete or accurate, and may vary across providers and issuers. There is no guarantee that ESG considerations will enhance Fund performance.

The risks of investing in securities of foreign issuers, including emerging markets, can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risks associated with an investment in the fund.

Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their advisors for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus).

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

Note: Not all products available at all firms. Financial professionals, please contact your home office.

The opinions expressed are those of the fund's portfolio management, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals. Holdings are subject to change and are not buy/sell recommendations.

All data provided by Invesco unless otherwise noted.