

# Invesco SteelPath MLP Income Fund

## Quarterly Performance Commentary

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



### Investment objective

The fund seeks total return.

### Portfolio management

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### Fund facts

Nasdaq	A: MLPDX	C: MLPRX Y: MLPZX
Distribution Frequency	Monthly	
Total Net Assets	\$2,815,832,650	
Annual Turnover (as of 11/30/21)	22%	

### Top holdings

#### % of total net assets

Energy Transfer LP	13.98
MPLX LP	13.23
Sunoco LP	8.18
EnLink Midstream	8.12
Antero Midstream	7.98
USA Compression Partners LP	7.48
Magellan Midstream Partners LP	6.95
NuStar Energy LP	5.24
Western Midstream Partners LP	4.77
Global Partners LP	3.43

### Top contributors

#### % of total net assets

1. Energy Transfer LP	13.98
2. Enlink Midstream	8.12
3. MPLX LP	13.23
4. Antero Midstream	7.98
5. Western Midstream Partners LP	4.77

### Top detractors

#### % of total net assets

1. NuStar Energy LP	5.24
2. Summit Midstream Partners LP	0.39
3. Westlake Chemical Partners LP	0.77
4. ARKO	0.52
5. Blueknight Energy Partners LP	0.24

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

### Market overview

- + For the first quarter, master limited partnerships (MLPs), as measured by the Alerian MLP Index (AMZ), returned 16.69% on a price basis and 18.81% when including the impact of distributions. For context, the broader market, as measured by the S&P 500 Index, declined 4.96% on a price basis and had a total return of -4.60% for the quarter.
- + Global equity markets were shaken by Russia's incursion into Ukraine, heightened inflation concerns and rising interest rates. Commodity prices rose substantially, generally driving most

energy equities higher, midstream equities included. Additionally, midstream equities have historically outperformed other yield-oriented equity sectors in periods of rising interest rates.

- + During the quarter, 80% of sector participants reported fourth quarter midstream operating results that were in line with or better than consensus estimates. Sector EBITDA (earnings before interest, taxes, depreciation and amortization) was 6.5% higher than the preceding quarter and approximately 7.5% higher than the same quarter one year ago.

### Positioning and outlook

- + Today's commodity price backdrop is very supportive of producer drilling activity, yet the current era of producer financial discipline is muting any uptick in drilling activity. While producer discipline means US production growth is likely to be modest relative to today's prices, we believe it means producer drilling and production plans would remain fairly stable even if pricing were to move lower. We believe this energy macroeconomic backdrop is healthy for midstream companies.

- + Over the past several years, many midstream companies have been able to grow cash flows and reduce leverage and are now beginning to resume distribution growth. Despite these macro and company fundamental improvements, midstream equities still trade at valuations substantially below their five- and 10-year averages. Therefore, we continue to believe the sector may provide investors with an attractive yield and total return over the coming years, despite potential for a more volatile or rising interest rate environment.

### Performance highlights

- + Invesco SteelPath MLP Income Fund Class A shares at net asset value (NAV) returned 14.71% for the quarter compared to the Alerian MLP Index's total return of 18.81%. (Please see the investment results table on page 2 for fund and index performance.)

### Contributors to performance

- + Midstream sub-sector performance was mixed during the quarter, but all sub-sectors generated positive returns. On average, the marine and the diversified sub-sectors provided the best relative performance for the quarter, benefiting from their exposures to natural gas and liquified natural gas export volumes amid inventory drawdowns in Europe and effects of the Russia-Ukraine conflict.
- + The fund's top contributors for the quarter were **Energy Transfer LP** (NYSE: ET), **Enlink Midstream LLC** (NYSE: ENLC) and **MPLX LP** (NYSE: MPLX).

### Detractors from performance

- + The propane and other sub-sectors had the lowest, but still positive, returns as both sub-sectors generally have less exposure to commodity prices and global macroeconomic factors that prevailed during the quarter.
- + The fund's top detractors for the quarter were **NuStar Energy LP** (NYSE: NS), **Summit Midstream Partners LP** (NYSE: SMLP) and **Westlake Chemical Partners LP** (NYSE: WLKP).

MLP sector breakdown	% of total net assets
Diversified	26.53
Other Energy	25.82
Petroleum Pipeline Transportation	22.68
Gathering & Processing	21.36
Terminalling & Storage	1.39

## 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: 03/31/10	NAV	Inception: 06/10/11	NAV	Inception: 03/31/10	
	<b>Max Load</b> <b>5.50%</b>		<b>Max CDSC</b> <b>1.00%</b>			<b>Alerian MLP Index</b>
Inception	3.02	3.51	1.97	1.97	3.77	-
10 Years	1.74	2.32	1.74	1.74	2.58	1.28
5 Years	1.56	2.73	2.00	2.00	3.01	-0.07
3 Years	5.04	7.02	6.28	6.28	7.33	2.70
1 Year	28.33	35.70	33.73	34.73	36.30	36.56
Quarter	8.52	14.71	13.45	14.45	14.83	18.81

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: FactSet Research Systems Inc.

Expense ratios	% net	% total
Class A Shares	1.39	1.43
Class C Shares	2.14	2.18
Class Y Shares	1.14	1.18

Per the current prospectus

Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least March 31, 2023. See current prospectus for more information.

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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 Alerian MLP Index is a market-cap weighted, float-adjusted index created to provide a comprehensive benchmark for investors to track the performance of the energy MLP sector. The Index components are selected by Alerian, LLC ("Alerian"). An investment cannot be made directly in an index.

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**About risk**

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.

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

Although the characteristics of MLPs closely resemble a traditional limited partnership, a major difference is that MLPs may trade on a public exchange or in the over-the-counter market. Although this provides a certain amount of liquidity, MLP interests may be less liquid and subject to more abrupt or erratic price movements than conventional publicly traded securities. The risks of investing in an MLP are similar to those of investing in a partnership and include more flexible governance structures, which could result in less protection for investors than investments in a corporation. MLPs are generally considered interest-rate sensitive investments. During periods of interest rate volatility, these investments may not provide attractive returns.

The fund is considered non-diversified and may experience greater volatility than a more diversified investment.

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.