

Invesco Health Care Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Sept. 30, 2022



Investment objective

The fund seeks long-term growth of capital.

Portfolio management

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Fund facts

Nasdaq	A: GGHCX C: GTHCX Investor: GTHIX Y: GGHYX
Total Net Assets	\$1,249,808,816
Total Number of Holdings	81
Annual Turnover (as of 10/31/21)	78%
Distribution Frequency	Annually

Top issuers % of total net assets

UnitedHealth	9.82
Eli Lilly	6.64
Elevance Health	5.04
Thermo Fisher Scientific	4.97
Danaher	4.22
AbbVie	3.93
AstraZeneca	3.21
Merck	3.19
Humana	2.91
Novo Nordisk 'B'	2.88

Top contributors % of total net assets

1. Pfizer	2.26
2. Shockwave Medical	1.17
3. Johnson & Johnson	0.00
4. Repligen	1.42
5. Molina Healthcare	1.34

Top detractors % of total net assets

1. Astrazeneca	3.21
2. Biogen	0.23
3. Horizon Therapeutics	0.55
4. Catalent	0.63
5. Cigna	0.00

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

Market overview

- + US equities sold off as inflation, rising interest rates, supply chain disruptions and geopolitical tensions weighed on investor sentiment.
- + Growth stocks declined less than value stocks during the quarter.
- + Health care facilities, distributors, services, managed care and biotechnology outperformed the broad health care sector. Health care supplies, pharmaceuticals, equipment, and life science tools & services underperformed.

Positioning and outlook

- + The fund is currently overweight managed care, biotechnology, distributors, life science tools & services, facilities and health care technology. It is underweight pharmaceuticals, health care equipment, services and supplies.
- + During the quarter, we increased the fund's weight in biotechnology, managed care, health care distributors and services, while decreasing exposure in health care equipment, life science tools & services, pharmaceuticals, health care supplies and facilities.
- + We are more positive than neutral on the overall health care sector relative to the broad market because our view of the economy and the equity market has worsened. In this environment, we prefer managed care and biotechnology, and believe health care equipment and life science tools offer the least return potential. We think pharmaceuticals are more interesting despite lack of growth in that area. The pharmaceuticals segment is also benefiting from some recent positive clinical trial data. We do not believe the COVID pandemic is over; however, we do not think its effect on the health care sector will be significant going forward.
- + We invest in premier health care companies that we believe are positioned to compound multi-year growth. We combine in-depth health care experience with bottom-up fundamental analysis to evaluate company management, identify growth prospects and manage risk.

Performance highlights

- + The fund's Class A shares at net asset value (NAV) outperformed its index in the third quarter. (Please see the investment results table on page 2 for fund and index performance.)
- + Stock selection in health care equipment, managed care, life science tools & services and health care services added to relative performance, while stock selection in biotechnology, distributors and supplies detracted.

Contributors to performance

- + **Pfizer** is a pharmaceutical company that makes drugs and vaccines to treat and prevent disease. The fund's underweight in the stock added to relative performance as it declined during the quarter due to uncertainty about future COVID-19 vaccine sales.
- + **Shockwave Medical** is a medical device company that uses sonic pressure waves to treat cardiovascular disease. The stock outperformed during the quarter as the company reported better-than-expected revenue and earnings and also raised guidance based on strength across all product segments and geographies.
- + **Johnson & Johnson** is a health care company that makes pharmaceutical treatments, medical devices and consumer products. The fund benefited from not owning the stock, which underperformed as the company faced headwinds from China's COVID lockdowns, inflation and tough earnings comparisons to prior quarters.

Detractors from performance

- + **AstraZeneca** is a pharmaceutical company that makes drugs to treat cancer, cardiovascular, renal, metabolism and respiratory diseases. The stock declined during the quarter on concerns about increased competition in lung cancer treatments and US drug pricing reform.
- + **Biogen** is a biotechnology company that makes treatments for neurological diseases. The fund's underweight in the stock detracted as it rallied at the end of the quarter on positive results from phase 3 trials of its Alzheimer's treatment.
- + **Horizon Therapeutics** makes drugs to treat rare, autoimmune and severe inflammatory diseases. The stock declined during the quarter as its treatment for Thyroid Eye Disease fell short of revenue expectations due to earlier-than-expected competition from a generic alternative.

Top industries	% of total net assets
Pharmaceuticals	21.70
Managed Health Care	19.60
Biotechnology	18.25
Life Sciences Tools & Services	13.67
Health Care Equipment	11.27
Health Care Distributors	3.54
Health Care Services	3.49
Health Care Facilities	2.22
Health Care Supplies	0.92
Health Care Technology	0.64

Investment results

Average annual total returns (%) as of Sept. 30, 2022

Period	Class A Shares		Class C Shares		Investor Class Shares	Class Y Shares	Style-Specific Index	S&P Composite 1500 Health Care Index
	Inception: 08/07/89	Max Load 5.50%	NAV	Inception: 03/01/99	Max CDSC 1.00%	NAV		
Inception	9.80	9.99	9.99	7.90	7.90	7.68	9.40	-
10 Years	8.55	9.16	9.16	8.51	8.51	9.16	9.43	13.75
5 Years	3.94	5.12	5.12	4.33	4.33	5.12	5.39	10.06
3 Years	4.23	6.22	6.22	5.44	5.44	6.23	6.49	12.05
1 Year	-21.76	-17.21	-17.21	-18.37	-17.82	-17.20	-17.00	-4.91
Quarter	-9.80	-4.56	-4.56	-5.72	-4.77	-4.53	-4.49	-5.16

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. The Investor Class shares have no sales charge; therefore, performance is at NAV. 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.

Index source: FactSet Research Systems Inc.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	1.02	1.02	Dom Common Stock	87.15
Class C Shares	1.77	1.77	Intl Common Stock	8.15
Investor Class Shares	1.02	1.02	Cash	4.28
Class Y Shares	0.77	0.77	Other	0.42

Per the current prospectus

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

Class Y shares and Investor Class 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 S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

The S&P Composite 1500® Health Care Index consists of those companies included in the S&P Composite 1500 that are classified as members of the GICS® Health Care sector. 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.

Convertible securities may be affected by market interest rates, the risk of issuer default, the value of the underlying stock or the issuer's right to buy back the convertible securities.

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.

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.

The performance of an investment concentrated in issuers of a certain region or country is expected to be closely tied to conditions within that region and to be more volatile than more geographically diversified funds.

The health care industry is subject to risks relating to government regulation, obsolescence caused by scientific advances and technological innovations.

Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time, and reporting the distribution for tax purposes may be required, even though the income may not have been received. Further, preferred securities may lose substantial value due to the omission or deferment of dividend payments.

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 financial professionals 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.