

Invesco Emerging Markets Local Debt Fund

S-MD Shares

30 April 2024

This marketing communication is directed at Institutional clients in the UK. Investors should read the legal documents prior to investing.

Summary of fund objective

The Fund aims to generate income, together with long term capital growth. The Fund seeks to achieve its objective by investing a minimum of 80% of the NAV of the Fund in debt securities of issuers that are economically tied to emerging market countries and which are denominated in local currencies. For the full objectives and investment policy please consult the current prospectus.

Key facts



Hemant Bajjal
Managed fund since
August 2019



Wim Vandenhoeck
Managed fund since
August 2019

Share class launch

26 August 2019

Original fund launch ¹

26 August 2019

Legal status

Luxembourg SICAV with UCITS status

Share class currency

USD

Share class type

Income

Fund size

USD 826.32 mn

Reference Benchmark

JP Morgan GBI-EM Global Diversified Composite Index (Total Return)

Bloomberg code

IVEMSMD LX

ISIN code

LU2028903180

Settlement date

Trade Date + 3 Days

Morningstar Rating™

★★★★

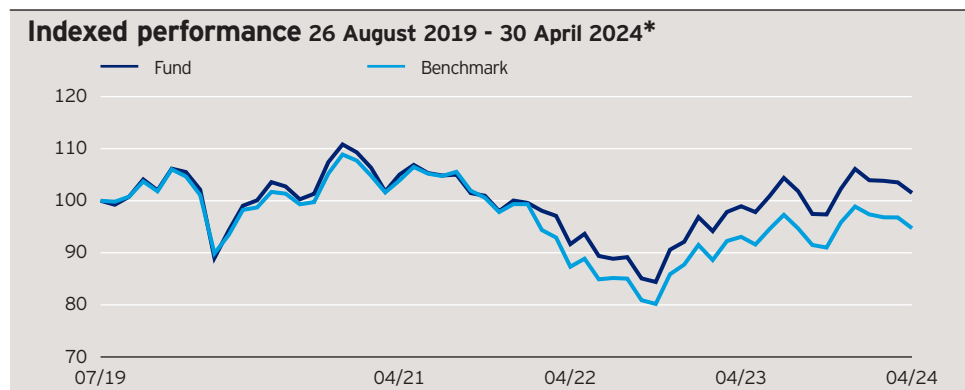
Investment risks

For complete information on risks, refer to the legal documents. 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. Debt instruments are exposed to credit risk which is the ability of the borrower to repay the interest and capital on the redemption date. Changes in interest rates will result in fluctuations in the value of the fund. The fund uses derivatives (complex instruments) for investment purposes, which may result in the fund being significantly leveraged and may result in large fluctuations in the value of the fund. The fund may invest in distressed securities which carry a significant risk of capital loss. As a large portion of the fund is invested in less developed countries, you should be prepared to accept significantly large fluctuations in the value of the fund. The fund may invest in certain securities listed in China which can involve significant regulatory constraints that may affect the liquidity and/or the investment performance of the fund. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund.

Fund Strategy

The fund manager believes the key to better absolute and risk-adjusted returns in emerging markets is combining top-down macroeconomic analysis and bottom-up country analysis to allocate risk across interest rates and foreign currencies. With an investment horizon of 9 to 18 months, the fund manager believes that while the macroeconomic base case changes slowly, market pricing changes more rapidly, providing opportunities to take advantage of shifting risk premia.

Past performance does not predict future returns. Data points are as at month end.



Cumulative performance*

in %	YTD	YTD	1 month	1 year	3 years	Since inception
Fund	-4.34	-2.43	-1.95	2.59	-3.35	1.50
Benchmark	-4.21	-2.12	-2.14	1.79	-8.83	-5.27

Calendar year performance*

in %	2019	2020	2021	2022	2023
Fund	-	4.38	-9.72	-7.91	15.17
Benchmark	-	2.69	-8.75	-11.68	12.70

Standardised rolling 12 month performance*

in %	04.14	04.15	04.16	04.17	04.18	04.19	04.20	04.21	04.22	04.23	04.24
Fund	-	-	-	-	-	0.00	11.40	-12.72	7.94	2.59	
Benchmark	-	-	-	-	-	0.00	11.22	-15.95	6.56	1.79	

The performance data shown does not take account of the commissions and costs incurred on the issue and redemption of units. Returns may increase or decrease as a result of currency fluctuations. The investment concerns the acquisition of units in an actively managed fund and not in a given underlying asset.

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NAV and fees		
Current NAV		
USD 8.05		
12 month price high		
USD 8.70 (27/07/2023)		
12 month price low		
USD 7.78 (04/10/2023)		
Minimum investment ²		
USD 12,500,000		
Entry charge		
0.00%		
Annual management fee		
0.6%		
Ongoing charges ³		
0.69%		

Credit ratings*		
(average rating: BBB)		
in %	Fund	Bench mark
AAA	2.5	-
AA	4.9	5.6
A	20.8	29.6
BBB	42.0	43.3
BB	21.0	19.0
B	2.0	0.7
Not Rated	1.6	1.8
Derivative	-0.1	-
Cash	5.3	-

Duration distribution*		
(average duration: 4.8)		
in %	Fund	Bench mark
0-1 year	7.0	6.3
1-3 years	24.1	26.7
3-5 years	29.6	20.3
5-7 years	24.8	22.8
7-10 years	10.4	17.1
10-20 years	4.2	6.8

Yield %*		
Gross Current Yield		
5.73		
Gross Redemption Yield		
7.80		

Geographical weightings*		
in %	Fund	Bench mark
Colombia	13.5	4.7
Poland	10.9	7.9
South Africa	9.6	8.4
Brazil	9.3	9.9
Malaysia	8.6	10.0
Indonesia	8.5	10.1
Mexico	6.2	10.0
Romania	4.6	4.3
Others	23.4	34.8
Cash	5.3	0.0

Maturity distribution*		
in %	Fund	Bench mark
0-3 years	27.2	28.7
3-7 years	43.3	32.3
7-10 years	18.3	17.4
10-15 years	4.3	10.7
15+ years	6.9	10.9

Duration distribution*

(average duration: 4.8)

in %

Fund

Bench mark

0-1 year

7.0

6.3

1-3 years

24.1

26.7

3-5 years

29.6

20.3

5-7 years

24.8

22.8

7-10 years

10.4

17.1

10-20 years

4.2

6.8

Yield %*

Gross Current Yield

5.73

Gross Redemption Yield

7.80

Source: *Invesco. Costs may increase or decrease as result of currency and exchange rate fluctuations. Consult the legal documents for further information on costs. Portfolio weightings and allocations are subject to change. The weightings for each breakdown are rounded to the nearest tenth or hundredth of a percent; therefore, the aggregate weights for each breakdown may not equal 100%. A discretionary cap on multiple components of the total costs is maintained. This discretionary cap may positively impact the performance of the Share Class.

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Important Information

¹On 21 February 2020, a Luxembourg-domiciled SICAV named Invesco Emerging Local Currencies Debt Fund was merged into Invesco Emerging Markets Local Debt Fund, a sub-fund within the same fund umbrella.

²The minimum investment amounts are: USD 12,500,000 / EUR 10,000,000 / GBP 10,000,000 / CHF 12,500,000 / SEK 100,000,000. Please contact us or refer to the most up to date Prospectus for details of minimum investment amounts in other currencies.

³The Ongoing Charges figure includes the annual management fee and other administrative or operating costs. It is a percentage of the value of your investment per year. This is an estimate based on actual costs over the last year. It excludes portfolio transaction costs except in the case of an entry or exit charge paid by the Fund when buying or selling shares/units in another fund.

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