



# PRODUCT KEY FACTS

## Invesco Emerging Local Currencies Debt Fund\*\*

A sub-fund of Invesco Funds (SICAV)

FOR THE ATTENTION OF HONG KONG INVESTORS

Issuer: Invesco Asset Management Asia Limited

20 December 2019

*This statement provides you with key information about this product.  
This statement is a part of the Prospectus and should be read in conjunction  
with the Prospectus.  
You should not invest in this product based on this statement alone.*

### Quick Facts

<b>Fund Manager/ Management Company:</b>	Invesco Management S.A.	
<b>Investment Manager(s):</b>	Invesco Advisers, Inc., located in the USA. (Internal delegation)	
<b>Base Currency:</b>	US Dollar	
<b>Custodian (Depository):</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch	
<b>Dealing Frequency :</b>	Daily	
<b>Financial Year End:</b>	The last day of February	
<b>Ongoing charges over a year:</b>	Class A (AUD hedged) monthly distribution-1 - AUD	1.86% <sup>+</sup>
	Class A (EUR hedged) accumulation - EUR	1.86% <sup>+</sup>
	Class A (EUR hedged) monthly distribution - EUR	1.86% <sup>+</sup>
	Class A accumulation - USD	1.86% <sup>+</sup>
	Class A annual distribution - EUR	1.86% <sup>+</sup>
	Class A fixed monthly distribution - USD	1.86% <sup>+</sup>
	Class A monthly distribution - HKD	1.86% <sup>+</sup>
	Class C (EUR hedged) accumulation - EUR	1.26% <sup>+</sup>
	Class C accumulation - USD	1.26% <sup>+</sup>

<sup>+</sup> The ongoing charges figure is calculated based on annualised expenses for the period ending 31 August 2018 divided by the average net assets over the same period. This figure may vary from year to year. It excludes portfolio transaction costs.

**Dividend Policy:** Net Income distribution (Dividends, if any, will be paid to investors)  
Accumulation (Dividends, if any, will be re-invested into the Fund)  
Fixed distribution (Dividends, if any, of a fixed yield will be paid to investors monthly. Such yield will be re-set on at least a semi-annual basis. The SICAV may at its discretion pay dividends out of gross income while paying all or part of the share class's fees and expenses, together with miscellaneous expenses, out of the capital of the share class, resulting in an increase in distributable income for the payment of dividends by the share class and therefore, the share class may effectively pay dividends out of capital and may reduce the net asset value per share of this share class immediately after the monthly distribution date)  
Monthly Distribution-1 (Dividends, if any, will be paid to investors monthly. The SICAV may, at its discretion, pay (a) a portion of dividends out of gross income, (b) a portion of dividends out of capital, and (c) with respect to hedged Monthly Distribution-1 Share classes (if applicable), the interest rate differential between the currency in which the share class is denominated and the base currency of the Fund. The Fund may pay dividends out of capital and/or effectively out of capital and may reduce the net asset value per share of this share class immediately after the monthly distribution date)

\*\* The SFC authorization status of Invesco Emerging Local Currencies Debt Fund will be withdrawn as of 30 December 2019.

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## Minimum Investment/ Minimum Subscription Amount:

Share class	A	C
Initial (in any of the dealing currencies listed in the Application Form)	USD1,500	USD1,000,000
	EUR1,000	EUR800,000
	GBP1,000	GBP600,000
	HKD10,000	HKD8,000,000
	JPY120,000	JPY80,000,000
	AUD1,500	AUD1,000,000
	CAD1,500	CAD1,000,000
	NZD2,000	NZD1,200,000
Additional	-	-

## What is this product?

Invesco Emerging Local Currencies Debt Fund (the "Fund") is a fund constituted in the form of a mutual fund. It is domiciled in Luxembourg and its home regulator is the CSSF, Luxembourg supervisory authority.

## Objectives and Investment Strategy

The objective of the Fund is to achieve long-term capital growth and high income. The Fund will invest at least two thirds of its net asset value in a flexible allocation of cash, debt securities (including corporate bonds and bonds issued by supranational organisations) and financial derivative instruments which are denominated in the currency of emerging market countries (as more fully described below).

The Investment Manager intends to invest in securities and financial derivative instruments within the investment universe which is defined as all cash, debt securities (including asset backed securities), equities, financial derivative instruments on debt and credit markets, equities and all currencies worldwide. Debt securities may originate from emerging markets but may also be issued by developed markets.

The Fund may invest up to 20% of its net asset value in asset-backed securities.

The Fund may invest up to 20% of its net asset value in securities which are either in default or deemed to be at high risk of default as determined by the SICAV.

The Fund may access China onshore bonds in the China Interbank Bond Market ("CIBM") via Bond Connect for less than 10% of its net asset value.

Equities and equity related instruments may be held up to a maximum of 5% of the net asset value of the Fund.

The Fund can, in the best interest of shareholders and on a temporary basis under exceptional circumstances (including but not limited to global market crisis) own up to 100% of net asset value in cash, money market instruments or up to 10% of net asset value in money market funds.

The Fund may also invest on an ancillary basis in securities and money market instruments listed on the Moscow Exchange. Investments in securities and money market instruments listed on the St Petersburg Currency Exchange together with other assets qualifying under Section 7.1. (General Restrictions) I. (2) of the Prospectus will not exceed 10% of the net assets of the Fund.

For the purposes of the Fund, the Investment Manager has defined emerging markets as all markets in the countries in the world other than (i) those members of the European Union that the Investment Manager regards as developed countries, (ii) United States of America, (iii) Canada, (iv) Japan, (v) Australia, (vi) New Zealand, (vii) Norway, (viii) Switzerland, (ix) Hong Kong, (x) Singapore and (xi) United Kingdom.

The Fund may invest up to 100% of its net asset value in debt securities which are unrated (debt securities which are not rated by any international rating agency such as Moody's, Standard & Poor's and Fitch) or rated below investment grade (below investment grade is defined as credit rating that is below BBB- from Standard & Poor's and Fitch, or below Baa3 from Moody's or an equivalent rating from an internationally recognized rating agency).

The Fund may enter into financial derivatives instruments for efficient portfolio management, hedging purposes and not extensively for investment purposes. Financial derivatives instruments can be used to take both long and short positions in all markets within the investment universe. The long and short active financial derivative positions

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(including active currency/interest rate/credit positions) implemented by the Fund may not be correlated with the underlying securities positions held by the Fund (i.e. debt securities). Financial derivatives instruments may include (but are not limited to) futures, forwards, non-deliverable forwards, forward rate agreements, swaps such as credit default swaps, interest rate swaps, total return swaps and complex option structures such as straddles. In addition, financial derivative instruments may incorporate structured notes including but not limited to credit linked notes, deposit linked notes or total return notes. The expected proportion of the net asset value of the Fund subject to total return swaps is 0%. Under normal circumstances, the maximum proportion of the net asset value of the Fund subject to total return swaps is 10%.

The Fund may also take active currency positions on all currencies worldwide through the use of derivatives. The level of leverage of the Fund measured using the commitment approach will not exceed 40% of the net asset value of the Fund.

The level of leverage of the Fund using the commitment approach is expressed as a ratio between the market value of the equivalent position in the underlying assets of the financial derivative instruments (taking into account the possible netting and hedging arrangements) and its net asset value.

### What are the key risks?

**Investment involves risks. Please refer to the Prospectus for details including the risks factors.**

- **General investment risk** - There can be no assurance that the Fund will achieve its investment objective. The instruments invested by the Fund may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Currency exchange risk**
  - The Fund's assets may be invested in securities denominated in currencies other than the base currency of the Fund. Also, a class of shares may be designated in a currency other than the base currency of the Fund. The net asset value of the Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
  - For the hedged share classes, there is no guarantee that the exposure of the currency in which the shares are denominated can be fully hedged at all times against the base currency of the Fund or the currency or currencies in which the assets of the Fund are denominated. Investors should also note that the successful implementation of the strategy may substantially reduce the benefit to shareholders in the relevant class of shares as a result of decreases in the value of the share class currency against the base currency of the Fund. In the event that investors request payment of redemption proceeds in a currency other than the currency in which the shares are denominated, the exposure of that currency to the currency in which the shares are denominated will not be hedged.
- **Volatility risk** - Investors should note that volatility in the Fund's investment portfolio may result in large fluctuations in the net asset value of the Fund which may adversely affect the net asset value per share of the Fund and investors may as a result suffer losses.
- **Credit risk**
  - Investment in bonds, debt or other fixed income securities (including corporate and sovereign bonds) are subject to the risk that issuers do not make payments on interest and principal of such securities. An issuer suffering from an adverse change in its financial condition could lower the quality of a security leading to greater price volatility on that security.
  - Securities which were investment grade at the time of acquisition may be downgraded. The risk of any such downgrading will vary over time. The Fund's investment policy does not specifically require the Fund to sell such securities if they should fall below investment grade. Besides, the Investment Manager and/or Investment Sub-Manager (if applicable) may not be able to dispose of the debt instruments that are being downgraded. Investments in below investment grade securities carry a higher risk of default and therefore may adversely impact the Fund and/or the interests of investors.
- **Interest rate risk** - The bonds or fixed income securities that the Fund invests in may fall in value if the interest rates change and this will adversely impact the net asset value of the Fund. In general, the prices of debt

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securities rise when interest rates fall, whilst their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

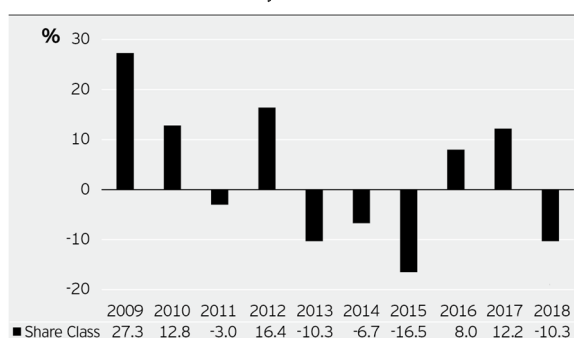
- **Liquidity risk** - The Fund may be adversely affected by a decrease in market liquidity for the securities in which it invests where some of the Fund's securities may become illiquid and the Fund may experience difficulties in selling securities at a fair price within a timely manner.
- **Credit rating risk** - Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- **Concentration risk** - As the Fund will invest at least two thirds of its net asset value in debt securities and/or other instruments which are denominated in the currency of emerging market countries, such concentration may exhibit a higher than usual degree of risk and the Fund may be subject to above average volatility. The diversification benefits that would ordinarily accrue from investment in a fund having a more diverse portfolio of investments, may not apply to this Fund.
- **Emerging markets risk** - The Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets such as, liquidity risk, currency risks/ control, political and economic uncertainties, policy, legal or regulatory event affecting the relevant markets and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- **Risk of investing in high yield bonds/non-investment grade bonds and un-rated bonds** - The Fund may invest in high yield bonds/ non-investment grade bonds and un-rated bonds which involve substantial risk. High yield bonds/ non-investment grade bonds and un-rated bonds are regarded as being predominantly speculative as to the issuer's ability to make payments of principal and interest. Issuers of high yield bonds/ non-investment grade bonds and un-rated bonds may be highly leveraged, subject to lower liquidity and higher volatility and may not have available to them more traditional methods of financing. An economic recession may adversely affect an issuer's financial condition and the market value of high yield bonds/ non-investment grade bonds and un-rated bonds issued by such entity. High yield bonds/ non-investment grade bonds and un-rated bonds are generally subject to greater loss of principal and interest than high-rated bonds. As such, this may adversely impact the Fund and/or the interests of investors.
- **Sovereign debt risk** - The Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Fund to participate in restructuring such debts. The Fund may suffer significant losses when there is a default of sovereign debt issuers.
- **Counterparty risk** - The Fund will be exposed to credit risk on the counterparties with which it trades in relation to financial derivative instrument contracts (including foreign exchange currency contracts) that are not traded on a recognised exchange. Such instruments are not afforded the same protections as may apply to participants trading financial derivative instruments on organised exchanges, such as the performance of guarantee of an exchange clearing house and therefore the Fund will bear the risk of the counterparty's insolvency, bankruptcy or default or a delay in settlement due to a credit or liquidity problem affecting the counterparty.
- **Risk of investing in financial derivative instruments ("FDI") for efficient portfolio management and hedging purpose and for investment purposes** - Investments of the Fund may be composed of FDI used for efficient portfolio management or to attempt to hedge or reduce the overall risk of its investments. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a FDI can result in a loss significantly greater than the amount invested in the FDI by the Fund. Exposure to FDI may lead to a high risk of significant loss by the Fund. As well as the risks identified above, the Fund may use derivatives for investment purposes and may be exposed to additional leveraged risk, which may result in significant fluctuations of the net asset value of the Fund and/or extreme losses where the Investment Manager is not successful in predicting market movements. This in turn may lead to an increase in the risk profile of the Fund.
- **Risks of implementing active FDI positions not correlated with underlying asset of the Fund** - As the active FDI positions (including active currency/interest rate/credit positions) implemented by the Fund may not be correlated with the underlying securities positions held by the Fund (i.e. debt securities), the Fund may suffer a significant or total loss even if there is no loss of the value of the underlying securities positions being debt securities held by the Fund.
- **Risks associated with payment of dividends and/or fees and expenses out of capital**
  - Payment of dividends out of capital and/or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment.

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Any such distributions may result in an immediate reduction of the net asset value per share in respect of such share class after the monthly distribution date.

- For Monthly Distribution-1 share classes that are currency hedged, the Fund may take into account the return driven by the interest rate differential between the currency in which the hedged Monthly Distribution-1 share class is denominated and the base currency of the Fund in determining the distribution to be paid. Investors should be aware that the uncertainty of relative interest rates which will have an impact on the return of the hedged Monthly Distribution-1 share class. The net asset value of the Monthly Distribution-1 hedged share class may fluctuate and may significantly differ from other share class due to the fluctuation of the interest rate differential between the currency in which the hedged Monthly Distribution-1 share class is denominated and the base currency of the Fund, and may result in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged share class. Investors in such share class may therefore be adversely affected.

## How has the Fund performed?



- The Fund Manager views Class A fixed monthly distribution - USD (the "Share Class"), being the focus share class of the Fund available to the public of Hong Kong, as the most appropriate representative unit class.
- Fund launch date: 14 December 2006.
- Share Class launch date: 14 December 2006.
- The base currency of the Fund is USD.
- Past performance of the Share Class is calculated in USD.
- Performance is calculated after deduction of ongoing charges and is inclusive of gross income reinvested. Any entry/exit charges shown are excluded from the calculation.
- Past performance is not a guide to future performance.
- Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Share Class increased or decreased in value during the calendar year being shown.
- Where no past performance is shown, there was insufficient data available in that year to provide performance.

## Is there any guarantee?

The Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund.

Fee	What you pay
Subscription fee/ Initial charge	Class A: Not exceeding 5.00% of the gross investment amount. Class C: Not exceeding 5.00% of the gross investment amount.
Switching fee	Up to 1.00% of the value of the shares being switched.
Redemption fee	N/A

### Ongoing fees payable by the Fund

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Fund's value)
Management fee*	Class A: 1.50% Class C: 1.00%

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Custodian fee/ Depositary charge	Up to 0.0075%
Performance fee	N/A
Administration fee	N/A
Distribution fee	Class A: N/A Class C: N/A
Service agents fee	Class A: Up to 0.27% Class C: Up to 0.20%

\*The fees can be increased subject to the prior approval of the Securities and Futures Commission ("SFC") and by giving not less than three months' prior notice to the investors.

### Other fees

You may have to pay other fees when dealing in the shares of the Fund.

### Additional Information

- The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Hong Kong Sub-Distributor and Representative, Invesco Asset Management Asia Limited, on request and at [www.invesco.com.hk](http://www.invesco.com.hk). This website has not been reviewed by the SFC.
- You generally buy and redeem shares at the Fund's next-determined net asset value after the Hong Kong Sub-Distributor and Representative, Invesco Asset Management Asia Limited, receives your request in good order on or before 5:00pm, Hong Kong time, being the Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal cut-off time (which may be earlier than the Fund's dealing cut-off time).
- The net asset value of the Fund is calculated each "Business Day" as defined in the Prospectus and the price of shares is published each Hong Kong business day (i.e. a day on which banks in Hong Kong are open for normal banking business) at [www.invesco.com.hk](http://www.invesco.com.hk). This website has not been reviewed by the SFC.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors at [www.invesco.com.hk](http://www.invesco.com.hk). This website has not been reviewed by the SFC.
- Investors may obtain other information of this product at [www.invesco.com.hk](http://www.invesco.com.hk). This website has not been reviewed by the SFC.

### Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.