



## Invesco Global Equity Income

Global Equity Income

### Introduction

The fund is a global equity income product designed to provide an income and offer the prospect of capital growth over the longer term. It will typically comprise between 40 and 50 holdings and be managed in a style agnostic fashion, but it will have a valuation discipline that underpins the approach. The aim is to invest in quality companies which exhibit superior operating characteristics, below market valuations and have strong balance sheets.



[Click here to read the Invesco approach to ESG investing.](#)

### Why RSMR Rate this Fund

- The strength and depth of the Invesco team which manages the fund is impressive.
- The fund's past performance and ability to maintain a relatively high level of income and provide some capital growth since launch.
- The fund has no inherent style or factor bias which means that it has the ability to outperform at any stage of the investment cycle.

### Fund Process

The process is focused on IDEAS:

- I – Identify potential ideas (sourcing ideas)
- D – Determine the most promising ideas (sourcing ideas)
- E – Evaluate the opportunity (build conviction)
- A – Approve the idea for the portfolio (build conviction)
- S – Structure the portfolio (implementation)

The fund is invested in three 'pools of opportunity' as follows:

- 70-100% in dividend compounders – companies with a strong track record of dividend payment, with an attractive growing yield
- 0-20% in low/no yield, faster growth – stocks with a lower dividend yield yet good capital allocation with clear per share value creation – especially in US equities.
- 0-10% in dividend restoration – companies undergoing a temporary challenge with a clear route to dividend restoration.

The team aim to keep the fund broadly uncorrelated and use absolute strategy research to monitor the position in terms of stocks and factor analysis. Stock specific risk is the biggest contribution to tracking error.

### Evaluation

The fund will tend to lag in strong momentum markets, where valuation is less important to market participants and share prices are driven by variables other than fundamentals. The nature of the approach is that investors must be patient and willing to accept short term price fluctuations.

### Application

This is a core global equity income fund with a tilt towards stocks that are not overvalued. It could form part of a blended global equity income portfolio with a view to achieving consistency over the longer-term.

### Our Opinion

We have known the fund management team for several years and they have generally delivered their objectives over the longer term. This fund could form part of most global equity income portfolios. It is a core global fund with a focus on dividend growth and capital preservation.

#### Important Notice

This document is aimed at Investment Professionals only and should not be relied upon by Private Investors. Our comments and opinion are intended as general information only and do not constitute advice or recommendation. Information is sourced directly from fund managers and websites. Therefore, this information is as current as is available at the time of production.

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