




Invesco U.S. Mortgage Fund

Nasdaq:

A: VKMGX ■ B: VUSBX ■ C: VUSCX ■ Y: VUSIX ■ R5: VUSJX



2	Letters to Shareholders
4	Performance Summary
4	Management's Discussion
6	Long-Term Fund Performance
8	Supplemental Information
9	Schedule of Investments
13	Financial Statements
15	Notes to Financial Statements
23	Financial Highlights
24	Auditor's Report
25	Fund Expenses
26	Tax Information
T-1	Trustees and Officers

Letters to Shareholders



Philip Taylor

Dear Shareholders:

This annual report includes information about your Fund, including performance data and a complete list of its investments as of the close of the reporting period. Inside is a discussion of how your Fund was managed and the factors that affected its performance during the reporting period.

US economic data were generally positive throughout 2015. The economy expanded modestly, and employment numbers improved steadily. Throughout the year, US consumers benefited from declining energy prices and greater credit availability, but a strong dollar crimped the profits of many large multi-national companies doing business overseas. Ending years of uncertainty, the US Federal Reserve in December finally raised short-term interest rates for the first time since 2006, signaling its confidence that the economy was likely to continue expanding and improving. Overseas, the economic story was less positive. The European Central Bank and central banks in China and Japan – as

well as other countries – either instituted or maintained extraordinarily accommodative monetary policies in response to economic weakness. The year 2015 ended on a rocky note, as investors weighed mixed economic data and reacted to geopolitical developments; many analysts expected markets to remain volatile for some time to come.

Short-term market volatility can prompt some investors to abandon their investment plans – and can cause others to settle for average results. The investment professionals at Invesco, in contrast, invest with high conviction and a long-term perspective. At Invesco, investing with high conviction means offering a wide range of strategies designed to go beyond market benchmarks. We trust our research-driven insights, have confidence in our investment processes and build portfolios that reflect our beliefs. Our goal is to look past market noise in an effort to find attractive opportunities at attractive prices – consistent with the investment strategies spelled out in each fund's prospectus. Of course, investing with high conviction can't guarantee a profit or ensure investment success; no investment strategy or risk analysis can. To learn more about how we invest with high conviction, visit invesco.com/HighConviction.

You, too, can invest with high conviction by maintaining a long-term investment perspective and by working with your financial adviser on a regular basis. During periods of short-term market volatility or uncertainty, your financial adviser can keep you focused on your long-term investment goals – a new home, a child's college education, or a secure retirement. He or she also can share research about the economy, the markets and individual investment options.

Visit our website for more information

Our website, invesco.com/us, offers a wide range of market insights and investment perspectives. On the website, you'll find detailed information about our funds, including prices, performance, holdings and portfolio manager commentaries. You can access information about your account by completing a simple, secure online registration. Click on the "Need to register" link in the "Account Access" box on our homepage to get started. Invesco's mobile apps for iPhone® and iPad® (both available free from the App StoreSM) allow you to obtain the same detailed information, monitor your account and create customizable watch lists.

In addition to the resources accessible on our website and through our mobile app, you can obtain timely updates to help you stay informed about the markets, the economy and investing by connecting with Invesco on Twitter, LinkedIn or Facebook. You can access our blog at blog.invesco.us.com. Our goal is to provide you the information you want, when and where you want it.

Have questions?

For questions about your account, contact an Invesco client services representative at 800 959 4246. For Invesco-related questions or comments, please email me directly at phil@invesco.com.

All of us at Invesco look forward to serving your investment management needs for many years to come. Thank you for investing with us.

Sincerely,



Philip Taylor
Senior Managing Director, Invesco Ltd.

iPhone and iPad are trademarks of Apple Inc., registered in the US and other countries. App Store is a service mark of Apple Inc. Invesco Distributors, Inc. is not affiliated with Apple Inc.



Bruce Crockett

Dear Fellow Shareholders:

Among the many important lessons I've learned in more than 40 years in a variety of business endeavors is the value of a trusted advocate.

As independent chair of the Invesco Funds Board, I can assure you that the members of the Board are strong advocates for the interests of investors in Invesco's mutual funds. We work hard to represent your interests through oversight of the quality of the investment management services your funds receive and other matters important to your investment, including but not limited to:

- Ensuring that Invesco offers a diverse lineup of mutual funds that your financial adviser can use to strive to meet your financial needs as your investment goals change over time.
- Monitoring how the portfolio management teams of the Invesco funds are performing in light of changing economic and market conditions.
- Assessing each portfolio management team's investment performance within the context of the investment strategy described in the fund's prospectus.
- Monitoring for potential conflicts of interests that may impact the nature of the services that your funds receive.

We believe one of the most important services we provide our fund shareholders is the annual review of the funds' advisory and sub-advisory contracts with Invesco Advisers and its affiliates. This review is required by the Investment Company Act of 1940 and focuses on the nature and quality of the services Invesco provides as the adviser to the Invesco funds and the reasonableness of the fees that it charges for those services. Each year, we spend months carefully reviewing information received from Invesco and a variety of independent sources, such as performance and fee data prepared by Lipper Inc., an independent, third-party firm widely recognized as a leader in its field. We also meet with our independent legal counsel and other independent advisers to review and help us assess the information that we have received. Our goal is to assure that you receive quality investment management services for a reasonable fee.

I trust the measures outlined above provide assurance that you have a worthy advocate when it comes to choosing the Invesco Funds.

As always, please contact me at bruce@brucecrockett.com with any questions or concerns you may have. On behalf of the Board, we look forward to continuing to represent your interests and serving your needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce L. Crockett".

Bruce L. Crockett
Independent Chair
Invesco Funds Board of Trustees

Management's Discussion of Fund Performance

Performance summary

For the year ended December 31, 2015, Class A shares of Invesco U.S. Mortgage Fund (the Fund), at net asset value (NAV), outperformed the Fund's broad market index, The BofA Merrill Lynch 1-10 Year Treasury Index and underperformed the Fund's style-specific index, the Barclays U.S. Mortgage-Backed Securities Index.

Your Fund's long-term performance appears later in this report.

Fund vs. Indexes

Total returns, 12/31/14 to 12/31/15, at net asset value (NAV). Performance shown does not include applicable contingent deferred sales charges (CDSC) or front-end sales charges, which would have reduced performance.

Class A Shares	1.41%
Class B Shares	0.71
Class C Shares	0.71
Class Y Shares	1.75
Class R5 Shares	1.71
The BofA Merrill Lynch 1-10 Year Treasury Index [▼] (Broad Market Index)	1.24
Barclays U.S. Mortgage-Backed Securities Index [▼] (Style-Specific Index)	1.51

Source(s): [▼]FactSet Research Systems Inc.

Market conditions and your Fund

The year ended December 31, 2015, was a mixed year for fixed income investors, as US Treasury yields moved modestly higher and the yield curve flattened. Despite the modest increase in yields, coupon income on US Treasury and higher-quality fixed income instruments resulted in generally positive total returns in these sectors. Lower-rated sectors, including high yield and emerging market debt trailed, as credit spreads widened on concerns over stress in the energy and metals sectors.

Economic growth and inflation remained positive in 2015, albeit at levels lower than most forecasters were anticipating. While consumer spending remained firm, helped by declining gasoline prices, the strong US dollar contributed to disappointing results in the manufacturing sector, as exports slowed.

Despite relatively low interest rates, business investment remained lackluster during the year, as many companies, especially in the energy sector, remained reluctant to make large capital investments. Despite these headwinds, consumer spending was enough to keep growth positive and unemployment continued to fall, ending the year at 5%.¹

With regard to inflation, continued tepid real wage growth and sharply falling commodity prices resulted in inflation remaining below expectations. While both took the market by surprise, sluggish wage growth was more surprising to some, as many expected the 5% unemployment rate to begin to push wages higher, resulting in a higher rate of inflation. This was likely partially negated by the continued low labor participation rate.

Despite lower growth and inflation, the US Federal Reserve (the Fed) tightened monetary policy at its December 2015

meeting by raising the federal funds target rate to a range of 0.25% to 0.50%.² The primary motive for the move was continued growth in payrolls and the notion that inflation could start to approach the Fed's 2% target over the next several years. Following the move, the Fed communicated that future policy will be data dependent and that the pace of the tightening cycle is likely to proceed slowly. Market reaction to the Fed move was muted, with rates selling off modestly into year end.

In this market environment, Class A shares of Invesco U.S. Mortgage Fund, at NAV, generated a positive total return, but underperformed the Fund's style-specific index, the Barclays U.S. Mortgage-Backed Securities Index. The Fund's allocation to non-agency mortgage-backed securities (MBS) and commercial MBS were the primary detractors from Fund performance, as credit spreads widened during the second half of the year.

The Fund benefited from incremental income earned by engaging in dollar (mortgage) roll activity, a type of repurchase transaction in the highly liquid to-be-announced (TBA) market for agency MBS. A dollar roll involves the Fund selling an MBS to a financial institution, with an agreement to repurchase a substantially similar security at an agreed upon price and date. Excess portfolio cash resulting from the use of this strategy is subsequently invested in short-term instruments to generate additional return for the Fund.

The Fund used active duration and yield curve positioning for risk management and for generating "alpha" (the extra return above a specific benchmark) versus its style-specific benchmark. Dura-

Portfolio Composition

By security type, based on total investments

U.S. Government Sponsored Agency Mortgage-Backed Securities	71.9%
Asset-Backed Securities	25.3
Non-Agency Obligations	0.4
U.S. Treasury Securities	0.3
Money Market Funds	2.1

Top 10 Debt Issuers*

1. Federal National Mortgage Association	51.4%
2. Federal Home Loan Mortgage Corp.	30.0
3. Government National Mortgage Association	13.2
4. JP Morgan Mortgage Trust	4.8
5. Ginne Mae REMICs	3.3
6. Fannie Mae REMICs	2.4
7. Credit Suisse Mortgage Capital Trust	2.3
8. Freddie Mac REMICs	2.0
9. La Hipotecaria Panamanian Mortgage Trust	1.9
10. Structured Adjustable Rate Mortgage Loan Trust	1.8

Total Net Assets	\$428.0 million
Total Number of Holdings*	870

The Fund's holdings are subject to change, and there is no assurance that the Fund will continue to hold any particular security.

*Excluding money market fund holdings.

Data presented here are as of December 31, 2015.

tion measures a portfolio's price sensitivity to interest rate changes, with a shorter-duration portfolio tending to be less sensitive to these changes. During the reporting period, we maintained the portfolio's overall duration slightly longer than that of the style-specific benchmark, on average, which produced favorable results as rates fell. However, yield curve positioning within the portfolio emphasized short-term (six months to two years) interest rates, missing much of the performance benefit of falling longer-term rates, and more than offset the positive relative return generated by duration positioning alone. Buying and selling US Treasury futures contracts was an important tool we used for the management of interest rate risk and to maintain our targeted portfolio duration.

Please note that our strategy is implemented using derivative instruments, including futures, swaps and options. Therefore, a portion of the performance of the strategy, both positive and negative, can be attributed to these instruments. Derivatives can be a cost-effective way to gain or hedge exposure to certain risks. However, derivatives may amplify traditional investment risks through the creation of leverage and may be less liquid than traditional securities.

We wish to remind you that the Fund is subject to interest rate risk, meaning when interest rates rise, the value of fixed income securities tends to fall. This risk may be greater in the current market environment because interest rates are at or near historic lows. The degree to which the value of fixed income securities may decline due to rising interest rates may vary depending on the speed and magnitude of the increase in interest rates, as well as individual security characteristics such as price, maturity, duration and coupon and market forces such as supply and demand for similar securities. We are monitoring interest rates, and the market, economic and geopolitical factors that may impact the direction, speed and magnitude of changes to interest rates across the maturity spectrum, including the potential impact of monetary policy changes by the Fed and certain foreign central banks. If interest rates rise, markets may experience increased volatility, which may affect the value and/or liquidity of certain of the Fund's investments.

We thank you for your investment in Invesco U.S. Mortgage Fund.

The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon as investment advice or recommendations, or as an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but Invesco Advisers, Inc. makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

See important Fund and, if applicable, index disclosures later in this report.



Clint Dudley

Chartered Financial Analyst, Portfolio Manager, is manager of Invesco U.S. Mortgage Fund. He joined Invesco in 1998. Mr.

Dudley earned a BBA and an MBA from Baylor University.



Jason Marshall

Portfolio Manager, is manager of Invesco U.S. Mortgage Fund. He joined Invesco in 2007. Mr.

Marshall earned a BS in finance from Indiana University of Pennsylvania and an MBA from Duquesne University.



Brian Norris

Chartered Financial Analyst, Portfolio Manager, is manager of Invesco U.S. Mortgage Fund. He joined Invesco in 2001. Mr. Norris

earned a BS in business administration from the University of Louisville.

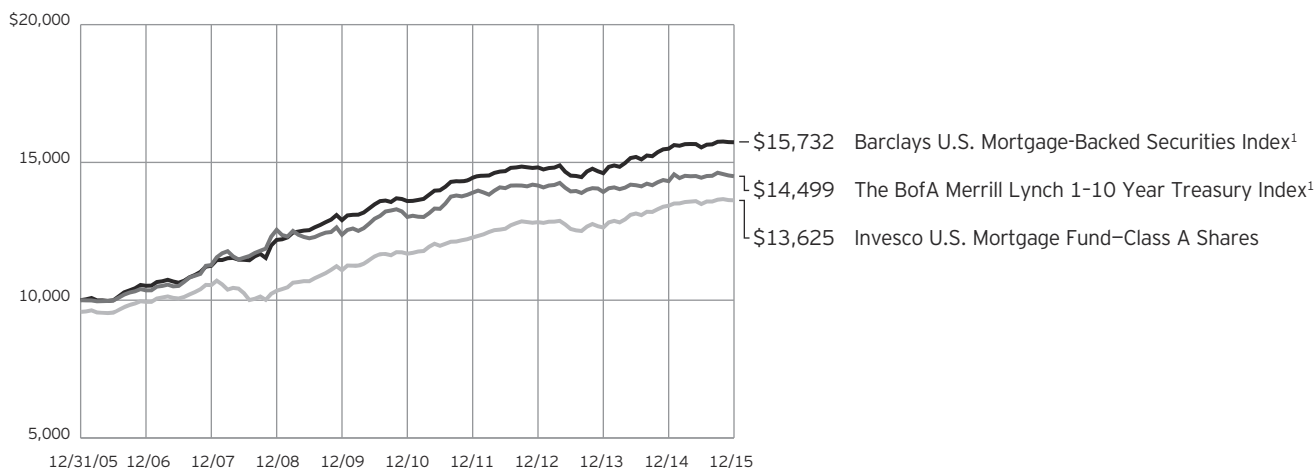
1 Source: Bureau of Labor Statistics

2 Source: US Federal Reserve

Your Fund's Long-Term Performance

Results of a \$10,000 Investment – Oldest Share Class(es)

Fund and index data from 12/31/05



¹ Source: FactSet Research Systems Inc.

Past performance cannot guarantee comparable future results.

The data shown in the chart include reinvested distributions, applicable sales charges and Fund expenses including

management fees. Index results include reinvested dividends, but they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses and management fees;

performance of a market index does not. Performance shown in the chart and table(s) does not reflect deduction of taxes a shareholder would pay on Fund distributions or sale of Fund shares.

continued from page 8

losses. Whether or not the Fund takes delivery of the securities at the termination date of a TBA transaction, the Fund will nonetheless be exposed to changes in the value of the underlying investments during the term of the agreement. When the Fund enters into a short sale of a TBA mortgage it does not own, the Fund may have to purchase deliverable mortgages to settle the short sale at a higher price than anticipated, thereby causing a loss. A short position in a TBA mortgage poses more risk than holding the same TBA mortgage long. As there is no limit on how much the price of mortgage securities can increase, the Fund's exposure is unlimited. The Fund may not always be able to purchase mortgage securities to close out the short position at a particular time or at an acceptable price. A Fund will earmark or segregate liquid assets in an amount at least equal to its exposure for the duration of the contract. The Fund will incur increased transaction costs associated with selling TBA mortgages short. In addition, taking short positions in TBA mortgages results in a form of leverage

which could increase the volatility of the Fund's share price.

- **US government obligations risk.** The Fund may invest in obligations issued by US government agencies and instrumentalities that may receive varying levels of support from the government, which could affect the Fund's ability to recover should they default.
- **When-issued and delayed delivery risk.** When-issued and delayed delivery transactions are subject to market risk as the value or yield of a security at delivery may be more or less than the purchase price or the yield generally available on securities when delivery occurs. In addition, the Fund is subject to counterparty risk because it relies on the buyer or seller, as the case may be, to consummate the transaction, and failure by the other party to complete the transaction may result in the Fund missing the opportunity of obtaining a price or yield considered to be advantageous.
- **Zero coupon or pay-in-kind securities risk.** The value, interest rates, and liquidity of non-cash paying instruments, such as zero coupon and pay-in-

kind securities, are subject to greater fluctuation than other types of securities. The higher yields and interest rates on pay-in-kind securities reflect the payment deferral and increased credit risk associated with such instruments and that such investments may represent a higher credit risk than coupon loans. Pay-in-kind securities may have a potential variability in valuations because their continuing accruals require continuing judgments about the collectability of the deferred payments and the value of any associated collateral.

About indexes used in this report

- The **BofA Merrill Lynch 1-10 Year Treasury Index** tracks the performance of US Treasury securities with maturities of one to 9.99 years.
- The **Barclays U.S. Mortgage-Backed Securities Index** represents mortgage-backed pass-through securities of Ginnie Mae, Fannie Mae and Freddie Mac.
- The Fund is not managed to track the performance of any particular index, including the index(es) described here,

continued on page 7

Average Annual Total Returns	
<i>As of 12/31/15, including maximum applicable sales charges</i>	
Class A Shares	
Inception (5/31/84)	6.44%
10 Years	3.14
5 Years	2.22
1 Year	-2.92
Class B Shares	
Inception (8/24/92)	4.37%
10 Years	2.95
5 Years	2.00
1 Year	-4.16
Class C Shares	
Inception (8/13/93)	3.65%
10 Years	2.80
5 Years	2.35
1 Year	-0.26
Class Y Shares	
Inception (9/25/06)	3.86%
5 Years	3.39
1 Year	1.75
Class R5 Shares	
10 Years	3.74%
5 Years	3.41
1 Year	1.71

Effective June 1, 2010, Class A, Class B, Class C and Class I shares of the predecessor fund, Van Kampen U.S. Mortgage Fund, advised by Van Kampen Asset Management were reorganized into Class A, Class B, Class C and Class Y shares, respectively, of Invesco Van

Kampen U.S. Mortgage Fund (renamed Invesco U.S. Mortgage Fund). Returns shown above for Class A, Class B, Class C and Class Y shares are blended returns of the predecessor fund and Invesco U.S. Mortgage Fund. Share class returns will differ from the predecessor fund because of different expenses.

Class R5 shares inception on June 1, 2010. Performance shown prior to that date is that of the predecessor fund's Class A shares and includes the 12b-1 fees applicable to Class A shares.

The performance data quoted represent past performance and cannot guarantee comparable future results; current performance may be lower or higher. Please visit invesco.com/performance for the most recent month-end performance. Performance figures reflect reinvested distributions, changes in net asset value and the effect of the maximum sales charge unless otherwise stated. Investment return and principal value will fluctuate so that you may have a gain or loss when you sell shares.

The total annual Fund operating expense ratio set forth in the most recent Fund prospectus as of the date of this report for Class A, Class B, Class C, Class Y and Class R5 shares was 0.96%, 1.72%, 1.72%, 0.72% and 0.67%, respectively. The expense

ratios presented above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.

Class A share performance reflects the maximum 4.25% sales charge, and Class B and Class C share performance reflects the applicable contingent deferred sales charge (CDSC) for the period involved. For shares purchased prior to June 1, 2010, the CDSC on Class B shares declines from 4% at the time of purchase to 0% at the beginning of the seventh year. For shares purchased on or after June 1, 2010, the CDSC on Class B shares declines from 5% at the time of purchase to 0% at the beginning of the seventh year. The CDSC on Class C shares is 1% for the first year after purchase. Class Y and Class R5 shares do not have a front-end sales charge or a CDSC; therefore, performance is at net asset value.

The performance of the Fund's share classes will differ primarily due to different sales charge structures and class expenses.

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.

continued from page 6

and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).

- A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

Other information

- The returns shown in management's discussion of Fund performance are based on net asset values (NAVs) calculated for shareholder transactions. Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes, and as such, the NAVs for shareholder transactions and the returns based on those

NAVs may differ from the NAVs and returns reported in the Financial Highlights.

Invesco U.S. Mortgage Fund's investment objective is to provide a high level of current income, with liquidity and safety of principal.

- Unless otherwise stated, information presented in this report is as of December 31, 2015, and is based on total net assets.
- Unless otherwise noted, all data provided by Invesco.
- To access your Fund's reports/prospectus, visit invesco.com/fundreports.

About share classes

- **Class B shares** may not be purchased for new or additional investments. Please see the prospectus for more information.
- **Class Y shares** are available only to certain investors. Please see the prospectus for more information.
- **Class R5 shares** are primarily intended for employer sponsored retirement and benefit plans that meet certain standards and for institutional investors. Please see the prospectus for more information.

Principal risks of investing in the Fund

- **Active trading risk.** The Fund engages in frequent trading of portfolio securities. Active trading results in added expenses and may result in a lower return and increased tax liability.
- **Borrowing risk.** Borrowing money to buy securities exposes the Fund to leverage because the Fund can achieve a return on a capital base larger than the assets that shareholders have contributed to the Fund. Borrowing may cause the Fund to be more volatile because it may exaggerate the effect of any increase or decrease in the value of the Fund's portfolio securities. Borrowing may also cause the Fund to liquidate positions when it may not be advantageous to do so. In addition, borrowing will cause the Fund to incur interest expenses and other fees. There can be no assurance that the Fund's borrowing strategy will be successful.
- **Credit risk.** The issuer of instruments in which the Fund invests may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer's credit rating.
- **Derivatives risk.** The value of a derivative instrument depends largely on (and is derived from) the value of an underlying security, currency, commodity, interest rate, index or other asset (each referred to as an underlying

asset). In addition to risks relating to the underlying assets, the use of derivatives may include other, possibly greater, risks, including counterparty, leverage and liquidity risks. Counterparty risk is the risk that the counterparty to the derivative contract will default on its obligation to pay the Fund the amount owed or otherwise perform under the derivative contract. Derivatives create leverage risk because they do not require payment up front equal to the economic exposure created by owning the derivative. As a result, an adverse change in the value of the underlying asset could result in the Fund sustaining a loss that is substantially greater than the amount invested in the derivative, which may make the Fund's returns more volatile and increase the risk of loss. Derivative instruments may also be less liquid than more traditional investments and the Fund may be unable to sell or close out its derivative positions at a desirable time or price. This risk may be more acute under adverse market conditions, during which the Fund may be most in need of liquidating its derivative positions. Derivatives may also be harder to value, less tax efficient and subject to changing government regulation that could impact the Fund's ability to use certain derivatives or their cost. Also, derivatives used for hedging or to gain or limit exposure to a particular market segment may not provide the expected benefits, particularly during adverse market conditions.

- **Dollar roll transactions risk.** Dollar roll transactions involve the risk that the market value and yield of the securities retained by the Fund may decline below the price of the mortgage-related securities sold by the Fund that it is obligated to repurchase.
- **Income risk.** The income you receive from the Fund is based primarily on prevailing interest rates, which can vary widely over the short- and long-term. If interest rates drop, your in-

come from the Fund may drop as well.

- **Liquidity risk.** The Fund may hold illiquid securities that it is unable to sell at the preferred time or price and could lose its entire investment in such securities.
- **Management risk.** The investment techniques and risk analysis used by the Fund's portfolio managers may not produce the desired results.
- **Market risk.** The prices of and the income generated by the Fund's securities may decline in response to, among other things, investor sentiment, general economic and market conditions, regional or global instability, and currency and interest rate fluctuations.
- **Mortgage- and asset-backed securities risk.** The Fund may invest in mortgage- and asset-backed securities that are subject to prepayment or call risk, which is the risk that the borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. Faster prepayments often happen when interest rates are falling. As a result, the Fund may reinvest these early payments at lower interest rates, thereby reducing the Fund's income. Conversely, when interest rates rise, prepayments may happen more slowly, causing the security to lengthen in duration. Longer duration securities tend to be more volatile. Securities may be prepaid at a price less than the original purchase value. An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may adversely affect the value of mortgage-backed securities and could result in losses to the Fund. The risk of such defaults is generally higher in the case of mortgage pools that include subprime mortgages. Subprime mortgages refer to loans made to borrowers with weakened credit histories or with lower capacity to make timely payments on their mortgages.
- **TBA transactions risk.** TBA transactions involve the risk that the securities received may be less favorable than what was anticipated by the Fund when entering into the TBA transaction. TBA transactions also involve the risk that a counterparty will fail to deliver the securities, exposing the Fund to further

This report must be accompanied or preceded by a currently effective Fund prospectus, which contains more complete information, including sales charges and expenses. Investors should read it carefully before investing.

Schedule of Investments

December 31, 2015

	Principal Amount	Value
U.S. Government Sponsored Agency Mortgage-Backed Securities-106.41%		
Collateralized Mortgage Obligations-11.74%		
Fannie Mae Grantor Trust 7.50%, 01/19/2039	\$ 426,925	\$ 483,414
Fannie Mae Interest STRIPS, IO, 6.50%, 10/25/2024	247,568	40,365
8.00%, 05/25/2030	987,990	260,376
7.50%, 01/25/2032	337,241	61,538
Fannie Mae REMICs, 2.00%, 06/25/2019	409,484	411,995
7.00%, 09/25/2032	352,850	402,370
6.57%, 06/25/2039 ^(a)	1,328,196	1,547,011
3.50%, 09/25/2044	5,718,920	5,696,565
3.00%, 05/25/2045	2,196,174	2,083,956
Fannie Mae REMICs, IO, 4.50%, 11/25/2023	5,845,467	220,088
3.00%, 10/25/2026 to 02/25/2028	29,475,472	2,837,879
8.00%, 08/18/2027 to 09/18/2027	1,209,745	219,820
6.00%, 05/25/2033	47,146	11,146
7.00%, 05/25/2033	1,006,043	265,457
3.50%, 08/25/2042	2,078,360	290,689
1.92%, 03/25/2043 ^(a)	20,560,366	1,506,604
Freddie Mac REMICs, 4.50%, 06/15/2018	126,074	130,002
3.00%, 10/15/2018 to 03/15/2035	3,717,656	3,736,619
0.56%, 08/15/2038 ^(a)	3,100,045	3,079,874
Freddie Mac REMICs, IO, 3.00%, 09/15/2025	6,469,466	468,539
2.50%, 09/15/2027	4,085,679	317,932
1.73%, 04/15/2038 ^(a)	13,754,662	933,045
1.87%, 11/15/2038 ^(a)	24,222,813	1,463,533
1.88%, 02/15/2039 ^(a)	12,211,917	1,020,596
1.92%, 12/15/2039 ^(a)	26,320,659	1,977,082
4.00%, 12/15/2041	3,048,508	350,488
Freddie Mac REMICs, PO, 1.24%, 01/15/2024	572,488	568,788
Freddie Mac STRIPS, IO, 8.00%, 06/15/2031	1,479,898	454,593
Freddie Mac Structured Pass Through Securities 6.50%, 02/25/2043	2,357,911	2,756,869
Freddie Mac Whole Loan Securities Trust 3.00%, 09/25/2045	2,713,865	2,671,211
Ginnie Mae REMICs, 5.88%, 01/20/2039 ^(a)	2,606,703	2,939,708
4.50%, 07/20/2041 ^(a)	3,985,689	4,228,788
1.79%, 09/20/2041 ^(a)	3,260,396	3,410,208
2.50%, 10/20/2043	1,055,601	868,887
Ginnie Mae REMICs IO, 1.59%, 09/20/2064 ^(a)	7,331,806	705,686
1.63%, 11/20/2064 ^(a)	4,808,025	501,086
1.68%, 12/20/2064 ^(a)	12,370,965	1,310,085
		50,232,892

	Principal Amount	Value
Federal Home Loan Mortgage Corp. (FHLMC)-30.04%		
Pass Through Cfts., 3.50%, 08/01/2026 to 09/01/2045	\$11,272,965	\$ 11,648,862
8.50%, 01/01/2017 to 08/01/2031	438,868	543,277
5.00%, 10/01/2018 to 06/01/2040	10,511,216	11,565,658
7.50%, 01/01/2020 to 05/01/2035	499,767	587,622
6.50%, 05/01/2028 to 08/01/2033	702,658	800,891
6.00%, 03/01/2029	6,050	6,914
8.00%, 08/01/2032	316,811	381,890
5.50%, 12/01/2036	421,485	468,691
4.50%, 05/01/2038 to 02/01/2042	28,224,581	30,556,808
5.35%, 07/01/2038 to 10/17/2038	3,311,066	3,692,037
5.80%, 10/01/2038 to 01/20/2039	1,812,279	2,044,356
5.45%, 11/25/2038	3,224,258	3,560,535
4.00%, 06/01/2042	6,721,054	7,139,285
Pass Through Cfts., ARM, 2.57%, 07/01/2036 ^(a)	2,768,287	2,933,533
2.68%, 02/01/2037 ^(a)	275,939	294,726
2.79%, 03/01/2037 ^(a)	1,132,377	1,214,203
2.57%, 05/01/2037 ^(a)	1,257,442	1,340,121
2.84%, 11/01/2037 ^(a)	2,898,520	3,067,548
2.66%, 01/01/2038 ^(a)	465,484	497,256
3.58%, 03/01/2041 ^(a)	319,485	334,967
Pass Through Cfts., TBA, 3.00%, 01/01/2046 ^(b)	20,450,000	20,417,818
3.50%, 01/01/2046 ^(b)	11,200,000	11,529,983
4.00%, 01/01/2046 ^(b)	13,200,000	13,945,334
		128,572,315
Federal National Mortgage Association (FNMA)-51.45%		
Pass Through Cfts., 3.50%, 11/01/2042 to 08/01/2045	13,446,635	13,912,656
7.00%, 02/01/2018 to 12/01/2033	451,569	482,915
4.50%, 05/01/2019 to 10/01/2041	14,445,391	15,482,553
8.00%, 07/01/2020 to 04/01/2033	729,760	891,398
6.50%, 06/01/2022 to 11/01/2038	4,316,862	4,940,266
5.50%, 11/01/2022 to 04/01/2038	13,263,281	14,952,641
4.00%, 06/01/2024 to 02/01/2045	22,694,576	24,106,444
5.00%, 06/01/2027 to 01/01/2041	9,211,554	10,172,526
9.50%, 04/01/2030	92,684	106,871
5.63%, 08/01/2032	534,159	622,769
8.50%, 10/01/2032	602,307	741,575
6.00%, 12/01/2035 to 05/01/2040	4,219,247	4,770,891
7.50%, 08/01/2037	814,790	987,465
5.45%, 01/01/2038	512,930	569,843
3.00%, 04/01/2043	3,364,543	3,380,713
Pass Through Cfts., ARM, 2.37%, 03/01/2038 ^(a)	450,497	478,231
2.04%, 02/01/2039 ^(a)	4,371,425	4,575,647
3.02%, 08/01/2042 ^(a)	1,395,800	1,435,600
2.26%, 07/01/2043 ^(a)	3,841,446	3,867,642
2.67%, 09/01/2043 ^(a)	2,034,749	2,074,927

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
Federal National Mortgage Association (FNMA)-(continued)		
Pass Through Cdfs., TBA, 2.50%, 01/01/2031 ^(b)	\$21,000,000	\$ 21,167,647
3.00%, 01/01/2031 to 01/01/2046 ^(b)	46,700,000	47,080,746
3.50%, 01/01/2046 ^(b)	29,500,000	30,438,138
4.00%, 01/01/2046 ^(b)	12,270,000	12,984,727
		220,224,831

Government National Mortgage Association (GNMA)-13.18%

Pass Through Cdfs.,		
9.50%, 06/15/2016 to 08/15/2022	228,955	232,654
8.00%, 08/15/2016 to 12/15/2021	182,056	185,372
8.50%, 02/20/2017	306	312
9.00%, 09/15/2017 to 08/15/2024	442,032	451,915
7.00%, 08/15/2022 to 01/15/2029	397,473	427,159
6.50%, 04/15/2026 to 11/15/2028	209,463	239,831
6.00%, 01/15/2028 to 04/20/2029	548,574	618,902
5.50%, 05/15/2033 to 10/15/2034	1,176,348	1,333,114
5.00%, 11/20/2037	1,759,302	1,904,154
3.00%, 10/20/2045	2,900,000	2,785,756
Pass Through Cdfs., TBA, 3.50%, 01/01/2046 ^(b)	31,500,000	32,839,982
4.00%, 01/01/2046 ^(b)	14,500,000	15,398,320
		56,417,471
Total U.S. Government Sponsored Agency Mortgage- Backed Securities (Cost \$453,765,537)		455,447,509

Asset-Backed Securities-37.54%

Agate Bay Mortgage Trust, Series 2015-4, Class A4, Variable Rate Pass Through Cdfs., 3.50%, 06/25/2045 ^{(a)(c)}	4,684,192	4,701,329
American Home Mortgage Investment Trust, Series 2005-1, Class 7A1, Floating Rate Pass Through Cdfs., 2.65%, 06/25/2045 ^(a)	1,187,146	1,180,090
Americredit Automobile Receivables Trust, Series 2014-4, Class A2A, Pass Through Cdfs., 0.72%, 04/09/2018	2,586,623	2,582,239
BAMLL-DB Trust, Series 2012-OSI, Class A2FX, Pass Through Cdfs., 3.35%, 04/13/2029 ^(c)	4,997,674	5,046,184
Banc of America Funding Trust, Series 2006-3, Class 5A5, Pass Through Cdfs., 5.50%, 03/25/2036	161,101	152,807
Bear Stearns Adjustable Rate Mortgage Trust, Series 2005-2, Class A1, Floating Rate Pass Through Cdfs., 2.62%, 03/25/2035 ^(a)	1,361,837	1,367,947
Bear Stearns Commercial Mortgage Securities Trust, Series 2005-PWR7, Class AJ, Pass Through Cdfs., 5.17%, 02/11/2041	141,365	141,283
Series 2005-PWR9, Class AJ, Pass Through Cdfs., 4.99%, 09/11/2042	45,504	45,571
Series 2006-T22, Class B, Variable Rate Pass Through Cdfs., 5.62%, 04/12/2038 ^{(a)(c)}	1,750,000	1,793,977

	Principal Amount	Value
BMW Vehicle Lease Trust, Series 2015-1, Class A2B, Floating Rate Pass Through Cdfs., 0.72%, 02/21/2017 ^(a)	\$ 3,850,106	\$ 3,848,843
Cerberus Onshore II CLO-2 LLC, Series 2014-1A, Class A, Floating Rate Pass Through Cdfs., 2.22%, 10/15/2023 ^{(a)(c)}	2,557,275	2,560,920
CGBAM Commercial Mortgage Trust, Series 2014-HD, Class B, Floating Rate Pass Through Cdfs., 1.53%, 02/15/2031 ^{(a)(c)}	3,000,000	2,985,094
Chase Mortgage Finance Trust, Series 2005-A1, Class 3A1, Floating Rate Pass Through Cdfs., 2.68%, 12/25/2035 ^(a)	76,307	69,660
CHL Mortgage Pass Through Trust, Series 2004-29, Class 1A1, Floating Rate Pass Through Cdfs., 0.96%, 02/25/2035 ^(a)	691,949	659,226
Citigroup Mortgage Loan Trust, Inc., Series 2004-HYB3, Class 2A, Floating Rate Pass Through Cdfs., 2.68%, 09/25/2034 ^(a)	2,933,163	2,888,994
Series 2004-UST1, Class A4, Floating Rate Pass Through Cdfs., 2.29%, 08/25/2034 ^(a)	618,170	614,369
Series 2006-AR2, Class 1A2, Floating Rate Pass Through Cdfs., 2.67%, 03/25/2036 ^(a)	137,080	129,603
Series 2009-12, Class 5A1, Pass Through Cdfs., 5.50%, 07/25/2037 ^(c)	1,337,653	1,330,964
Series 2012-6, Class 2A1, Floating Rate Pass Through Cdfs., 2.42%, 08/25/2036 ^{(a)(c)}	1,955,188	1,966,044
Commercial Mortgage Trust, Series 2013-LC13, Class XA, Variable Rate Pass Through Cdfs., 1.40%, 08/10/2046 ^(a)	46,735,936	2,815,345
Series 2015-CR24, Class XA, Variable Rate Pass Through Cdfs., 0.89%, 08/10/2055 ^(a)	45,640,766	2,782,421
Credit Suisse Mortgage Capital Trust, Series 2013-7, Class B1, Variable Rate Pass Through Cdfs., 3.59%, 08/25/2043 ^{(a)(c)}	5,297,136	5,257,613
Series 2013-6, Class 2A1, Pass Through Cdfs., 3.50%, 08/25/2043 ^(c)	2,065,619	2,082,080
Series 2015-TOWN, Class B, Floating Rate Pass Through Cdfs., 2.23%, 03/15/2017 ^{(a)(c)}	2,500,000	2,487,109
Credit Suisse Mortgage Loan Trust, Series 2015-1, Class A9, Pass Through Cdfs., 3.50%, 05/25/2045 ^(c)	4,458,001	4,465,665
Fifth Third Auto Trust, Series 2014-3, Class A2A, Pass Through Cdfs., 0.57%, 05/15/2017	1,277,013	1,276,049
GSA Home Equity Trust, Series 2007-7, Class A4, Floating Rate Pass Through Cdfs., 0.69%, 07/25/2037 ^(a)	85,455	74,397

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
H/2 Asset Funding (Cayman Islands), Series 2015-1A, Class BFL, Pass Through Cdfs., 2.51%, 06/24/2049 ^(c)	\$ 2,000,000	\$ 1,974,904
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2006-LDP8, Class AJ, Pass Through Cdfs., 5.48%, 05/15/2045	4,000,000	4,069,590
JP Morgan Mortgage Trust, Series 2005-A3, Class 6A5, Floating Rate Pass Through Cdfs., 2.61%, 06/25/2035 ^(a)	1,817,392	1,779,554
Series 2005-A6, Class 7A1, Floating Rate Pass Through Cdfs., 2.75%, 08/25/2035 ^(a)	1,306,326	1,245,045
Series 2014-1, Class 1A17, Variable Rate Pass Through Cdfs., 4.00%, 01/25/2044 ^{(a)(c)}	5,213,732	5,444,098
Series 2015-3, Class A3, Pass Through Cdfs., 3.50%, 05/25/2045 ^(c)	7,264,498	7,296,847
Series 2015-5, Class A2, Floating Rate Pass Through Cdfs., 2.91%, 05/25/2045 ^{(a)(c)}	4,641,310	4,683,410
JP Morgan Resecuritization Trust, Series 2009-5, Class 1A1, Floating Rate Pass Through Cdfs., 2.74%, 07/26/2036 ^{(a)(c)}	1,521,942	1,525,668
Series 2009-7, Class 5A1, Pass Through Cdfs., 6.00%, 02/27/2037 ^(c)	688,945	707,865
La Hipotecaria El Salvadorian Mortgage Trust (El Salvador), Series 2013-1A, Class A, Pass Through Cdfs., 3.50%, 10/25/2041 (Acquired 04/22/2013; Cost \$5,193,676) ^(c)	5,018,044	5,243,856
La Hipotecaria Panamanian Mortgage Trust (El Salvador), Series 2010-1GA, Class A, Floating Rate Pass Through Cdfs., 2.50%, 09/08/2039 (Acquired 11/05/2010-06/25/2012; Cost \$8,225,558) ^{(a)(c)}	7,950,470	8,216,811
LSTAR Commercial Mortgage Trust, Series 2014-2, Class A2, Pass Through Cdfs., 2.77%, 01/20/2041 ^(c)	3,219,202	3,205,732
Luminent Mortgage Trust, Series 2005-1, Class A1, Floating Rate Pass Through Cdfs., 0.68%, 11/25/2035 ^(a)	3,183,738	2,894,513
Series 2006-1, Class A1, Floating Rate Pass Through Cdfs., 0.66%, 04/25/2036 ^(a)	103,036	65,535
Merrill Lynch Mortgage Investors Trust, Series 2004-A, Class A2, Floating Rate Pass Through Cdfs., 1.03%, 04/25/2029 ^(a)	865,232	827,814
Series 2005-3, Class 3A, Floating Rate Pass Through Cdfs., 2.33%, 11/25/2035 ^(a)	1,262,192	1,226,865
Series 2005-A, Class A1, Floating Rate Pass Through Cdfs., 0.88%, 03/25/2030 ^(a)	1,432,157	1,397,746

	Principal Amount	Value
Newstar Commercial Loan Funding LLC, Series 2015-1A, Class A1, Floating Rate Pass Through Cdfs., 2.12%, 01/20/2027 ^{(a)(c)}	\$ 5,000,000	\$ 4,938,386
PFP Ltd. (Cayman Islands), Series 2015-2, Class B, Floating Rate Pass Through Cdfs., 3.02%, 07/14/2034 ^{(a)(c)}	3,345,000	3,339,992
RALI Trust, Series 2006-Q02, Class A2, Floating Rate Pass Through Cdfs., 0.69%, 02/25/2046 ^(a)	65,557	28,897
RBSSP Resecuritization Trust, Series 2009-13, Class 10A3, Floating Rate Pass Through Cdfs., 2.69%, 01/26/2036 ^{(a)(c)}	1,035,139	1,041,019
Series 2010-1, Class 2A1, Floating Rate Pass Through Cdfs., 2.11%, 07/26/2045 (Acquired 01/31/2011; Cost \$2,375,300) ^{(a)(c)}	2,384,241	2,379,475
Sequoia Mortgage Trust, Series 2013-4, Class A3, Pass Through Cdfs., 1.55%, 04/25/2043	2,210,588	2,151,268
Shellpoint Asset Funding Trust, Series 2013-1, Class A3, Pass Through Cdfs., 3.75%, 07/25/2043 ^(c)	3,497,139	3,582,317
Structured Adjustable Rate Mortgage Loan Trust, Series 2004-6, Class 3A2, Floating Rate Pass Through Cdfs., 2.54%, 06/25/2034 ^(a)	3,572,882	3,579,660
Series 2004-13, Class A2, Floating Rate Pass Through Cdfs., 0.72%, 09/25/2034 ^(a)	740,772	645,589
Series 2004-16, Class 2A, Floating Rate Pass Through Cdfs., 2.59%, 11/25/2034 ^(a)	2,862,326	2,824,477
Series 2004-20, Class 3A1, Floating Rate Pass Through Cdfs., 2.54%, 01/25/2035 ^(a)	627,348	599,616
Structured Asset Mortgage Investments, II Trust, Series 2005-AR2, Class 2A1, Floating Rate Pass Through Cdfs., 0.65%, 05/25/2045 ^(a)	1,702,488	1,502,636
Structured Asset Securities Corp., Series 2002-21A, Class B1II, Floating Rate Pass Through Cdfs., 2.59%, 11/25/2032 ^(a)	228,681	207,740
Synchrony Credit Card Master Note Trust, Series 2015-3, Class A, Pass Through Cdfs., 1.74%, 09/15/2021	5,000,000	4,963,615
Thornburg Mortgage Securities Trust, Series 2005-2, Class A1, Floating Rate Pass Through Cdfs., 2.35%, 07/25/2045 ^(a)	4,850,521	4,715,220
Towd Point Mortgage Trust, Series 2015-4, Class A1, Variable Rate Pass Through Cdfs., 3.50%, 04/26/2055 ^{(a)(c)}	1,909,999	1,931,920
Wachovia Bank Commercial Mortgage Trust, Series 2005-C21, Class AJ, Variable Rate Pass Through Cdfs., 5.30%, 10/15/2044 ^(a)	343,953	343,584

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Principal Amount	Value
WaMu Mortgage Pass-Through Trust, Series 2005-AR12, Class 1A8, Floating Rate Pass Through Ctfs., 2.43%, 10/25/2035 ^(a)	\$ 5,840,389	\$ 5,630,424
Series 2007-HY2, Class 2A1, Floating Rate Pass Through Ctfs., 2.54%, 11/25/2036 ^(a)	302,239	267,457
Wells Fargo Mortgage Backed Securities Trust, Series 2004-K, Class 1A2, Floating Rate Pass Through Ctfs., 2.74%, 07/25/2034 ^(a)	2,342,170	2,352,096
Series 2005-AR2, Class 2A2, Floating Rate Pass Through Ctfs., 2.64%, 03/25/2035 ^(a)	320,425	326,424
Series 2006-AR8, Class 2A3, Floating Rate Pass Through Ctfs., 2.74%, 04/25/2036 ^(a)	1,713,060	1,678,266
WinWater Mortgage Loan Trust, Series 2015-4, Class A3, Variable Rate Pass Through Ctfs., 3.50%, 06/20/2045 ^{(a)(c)}	4,514,280	4,517,526
Total Asset-Backed Securities (Cost \$159,571,510)		160,659,280
Structured Agency Credit Risk Notes (STACR)-0.56%		
Freddie Mac, Series 2014-DN1, Class M2 Floating Rate STACR [®] Debt Notes, 2.42%, 02/25/2024 ^{(a)(d)} (Cost \$2,415,996)	2,400,000	2,393,739

Investment Abbreviations:

ARM	- Adjustable Rate Mortgage
CLO	- Collateralized Loan Obligation
Ctfs.	- Certificates
IO	- Interest Only
PO	- Principal Only
REMICs	- Real Estate Mortgage Investment Conduits
STRIPS	- Separately Traded Registered Interest and Principal Security
TBA	- To Be Announced

Notes to Schedule of Investments:

- ^(a) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on December 31, 2015.
- ^(b) Security purchased on a forward commitment basis. This security is subject to dollar roll transactions. See Note 11.
- ^(c) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at December 31, 2015 was \$94,706,805, which represented 22.13% of the Fund's Net Assets.
- ^(d) Principal payments are determined by the delinquency and principal payment experience on the STACR[®] reference pool. Freddie Mac transfers credit risk from the mortgages in the reference pool to credit investors who invest in the STACR[®] debt notes.
- ^(e) Security traded on a discount basis. The interest rate shown represents the discount rate at the time of purchase by the Fund.
- ^(f) All or a portion of the value was pledged as collateral to cover margin requirements for open futures contracts. See Note 1H and Note 4.
- ^(g) The money market fund and the Fund are affiliated by having the same investment adviser. The rate shown is the 7-day SEC standardized yield as of December 31, 2015.

	Principal Amount	Value
U.S. Treasury Securities-0.39%		
U.S. Treasury Bills-0.15%		
0.25%, 05/26/2016 ^(e)	\$ 450,000	\$ 449,303
0.29%, 05/26/2016 ^(e)	215,000	214,667
		663,970
U.S. Treasury Notes-0.24%		
3.25%, 12/31/2016 ^(f)	1,000,000	1,023,800
Total U.S. Treasury Securities (Cost \$1,669,396)		1,687,770
	Shares	
Money Market Funds-3.16%		
Liquid Assets Portfolio-Institutional Class, 0.29% ^(g)	6,771,281	6,771,281
Premier Portfolio-Institutional Class, 0.24% ^(g)	6,771,282	6,771,282
Total Money Market Funds (Cost \$13,542,563)		13,542,563
TOTAL INVESTMENTS-148.06% (Cost \$630,965,002)		633,730,861
OTHER ASSETS LESS LIABILITIES-(48.06)%		(205,697,647)
NET ASSETS-100.00%		\$ 428,033,214

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Assets and Liabilities

December 31, 2015

Assets:

Investments, at value (Cost \$617,422,439)	\$ 620,188,298
Investments in affiliated money market funds, at value and cost	13,542,563
Total investments, at value (Cost \$630,965,002)	633,730,861
Cash	8,781
Receivable for:	
Fund shares sold	373,695
Dividends and interest	1,984,151
Principal paydowns	101,727
Investment for trustee deferred compensation and retirement plans	66,378
Other assets	20,574
Total assets	636,286,167

Liabilities:

Payable for:	
Investments purchased	206,805,668
Fund shares reacquired	491,802
Dividends	365,894
Variation margin – futures	89,641
Accrued fees to affiliates	209,345
Accrued trustees' and officers' fees and benefits	216
Accrued other operating expenses	212,625
Trustee deferred compensation and retirement plans	77,762
Total liabilities	208,252,953
Net assets applicable to shares outstanding	\$ 428,033,214

Net assets consist of:

Shares of beneficial interest	\$ 535,442,888
Undistributed net investment income	(20,330)
Undistributed net realized gain (loss)	(110,322,279)
Net unrealized appreciation	2,932,935
	\$ 428,033,214

Net Assets:

Class A	\$ 395,806,124
Class B	\$ 1,137,745
Class C	\$ 9,394,016
Class Y	\$ 21,668,212
Class R5	\$ 27,117

Shares outstanding, \$0.01 par value per share, with an unlimited number of shares authorized:

Class A	32,382,756
Class B	93,567
Class C	774,031
Class Y	1,766,078
Class R5	2,211
Class A:	
Net asset value per share	\$ 12.22
Maximum offering price per share (Net asset value of \$12.22 ÷ 95.75%)	\$ 12.76
Class B:	
Net asset value and offering price per share	\$ 12.16
Class C:	
Net asset value and offering price per share	\$ 12.14
Class Y:	
Net asset value and offering price per share	\$ 12.27
Class R5:	
Net asset value and offering price per share	\$ 12.26

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Operations

For the year ended December 31, 2015

Investment income:

Interest	\$12,401,007
Dividends from affiliated money market funds	14,093
Total investment income	12,415,100

Expenses:

Advisory fees	2,051,367
Administrative services fees	120,386
Custodian fees	40,474
Distribution fees:	
Class A	984,821
Class B	16,291
Class C	85,423
Transfer agent fees – A, B, C, and Y	614,005
Transfer agent fees – R5	19
Trustees' and officers' fees and benefits	27,042
Other	297,396
Total expenses	4,237,224
Less: Fees waived and expense offset arrangement(s)	(22,472)
Net expenses	4,214,752
Net investment income	8,200,348

Realized and unrealized gain (loss) from:

Net realized gain (loss) from:	
Investment securities	5,178,633
Futures contracts	(1,188,145)
	3,990,488
Change in net unrealized appreciation (depreciation) of:	
Investment securities	(6,126,080)
Futures contracts	413,318
	(5,712,762)
Net realized and unrealized gain (loss)	(1,722,274)
Net increase in net assets resulting from operations	\$ 6,478,074

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Changes in Net Assets

For the years ended December 31, 2015 and 2014

	2015	2014
Operations:		
Net investment income	\$ 8,200,348	\$ 10,078,728
Net realized gain	3,990,488	11,131,057
Change in net unrealized appreciation (depreciation)	(5,712,762)	5,939,106
Net increase in net assets resulting from operations	6,478,074	27,148,891
Distributions to shareholders from net investment income:		
Class A	(16,642,053)	(19,256,450)
Class B	(54,615)	(98,872)
Class C	(281,206)	(291,848)
Class Y	(786,586)	(314,767)
Class R5	(824)	(515)
Total distributions from net investment income	(17,765,284)	(19,962,452)
Share transactions-net:		
Class A	(17,899,058)	(23,705,101)
Class B	(957,226)	(1,107,150)
Class C	1,520,578	185,855
Class Y	2,828,283	16,973,129
Class R5	12,447	5,436
Net increase (decrease) in net assets resulting from share transactions	(14,494,976)	(7,647,831)
Net increase (decrease) in net assets	(25,782,186)	(461,392)
Net assets:		
Beginning of year	453,815,400	454,276,792
End of year (includes undistributed net investment income of \$(20,330) and \$365,205, respectively)	\$428,033,214	\$453,815,400

Notes to Financial Statements

December 31, 2015

NOTE 1—Significant Accounting Policies

Invesco U.S. Mortgage Fund (the “Fund”) is a series portfolio of AIM Growth Series (Invesco Growth Series) (the “Trust”). The Trust is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end series management investment company consisting of seventeen separate series portfolios, each authorized to issue an unlimited number of shares of beneficial interest. The assets, liabilities and operations of each portfolio are accounted for separately. Information presented in these financial statements pertains only to the Fund. Matters affecting each portfolio or class will be voted on exclusively by the shareholders of such portfolio or class.

The Fund’s investment objective is to provide a high level of current income, with liquidity and safety of principal.

The Fund currently consists of five different classes of shares: Class A, Class B, Class C, Class Y and Class R5. Class A shares are sold with a front-end sales charge unless certain waiver criteria are met and under certain circumstances load waived shares may be subject to contingent deferred sales charges (“CDSC”). Class C shares are sold with a CDSC. Class Y and Class R5 shares are sold at net asset value. Effective November 30, 2010, new or additional investments in Class B shares are no longer permitted. Existing shareholders of Class B shares may continue to reinvest dividends and capital gains distributions in Class B shares until they convert to Class A shares. Also, shareholders in Class B shares will be able to exchange those shares for Class B shares of other Invesco Funds offering such shares until they convert to Class A shares. Generally, Class B shares will automatically convert to Class A shares on or about the month-end, which is at least eight years after the date of purchase. Redemption of Class B shares prior to the conversion date will be subject to a CDSC.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements.

A. Security Valuations – Securities, including restricted securities, are valued according to the following policy.

Debt obligations (including convertible securities) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate (for unlisted equities), yield (for debt obligations), quality, type of issue, coupon rate (for debt obligations), maturity (for debt obligations), individual trading characteristics and other market data. Debt obligations are subject to interest rate and credit risks. In addition, all debt obligations involve some risk of default with respect to interest and/or principal payments.

A security listed or traded on an exchange (except convertible securities) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued by an independent pricing service they may be considered fair valued. Futures contracts are valued at the final settlement price set by an exchange on which they are principally traded. Listed options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and asked prices. For purposes of determining net asset value ("NAV") per share, futures and option contracts generally are valued 15 minutes after the close of the customary trading session of the New York Stock Exchange ("NYSE").

Investments in open-end and closed-end registered investment companies that do not trade on an exchange are valued at the end-of-day net asset value per share. Investments in open-end and closed-end registered investment companies that trade on an exchange are valued at the last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded.

Foreign securities' (including foreign exchange contracts) prices are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that the Adviser determines are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities' prices meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources. The last bid price may be used to value equity securities. The mean between the last bid and asked prices is used to value debt obligations, including corporate loans.

Securities for which market quotations are not readily available or became unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust's officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/asked quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

The Fund may invest in securities that are subject to interest rate risk, meaning the risk that the prices will generally fall as interest rates rise and, conversely, the prices will generally rise as interest rates fall. Specific securities differ in their sensitivity to changes in interest rates depending on their individual characteristics. Changes in interest rates may result in increased market volatility, which may affect the value and/or liquidity of certain Fund investments.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer's assets, general economic conditions, interest rates, investor perceptions and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Securities Transactions and Investment Income – Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on the accrual basis from settlement date. Paydown gains and losses on mortgage and asset-backed securities are recorded as adjustments to interest income. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date. Bond premiums and discounts are amortized and/or accreted for financial reporting purposes.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and the Statement of Changes in Net Assets, or the net investment income per share and the ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the investment adviser.

The Fund allocates income and realized and unrealized capital gains and losses to a class based on the relative net assets of each class.

C. Distributions – Distributions from net investment income are declared daily and paid monthly. Distributions from net realized capital gain, if any, are generally declared and paid annually and recorded on the ex-dividend date.

D. Federal Income Taxes – The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained. Management has analyzed the Fund's uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

Each Fund files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally, each Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

- E. Expenses** – Fees provided for under the Rule 12b-1 plan of a particular class of the Fund are charged to the operations of such class. Transfer agency fees and expenses and other shareholder recordkeeping fees and expenses attributable to Class R5 are charged to such class. Transfer agency fees and expenses and other shareholder recordkeeping fees and expenses relating to all other classes are allocated among those classes based on relative net assets. All other expenses are allocated among the classes based on relative net assets.
- F. Accounting Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Fund monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.
- G. Indemnifications** – Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts, including the Fund's servicing agreements, that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.
- H. Futures Contracts** – The Fund may enter into futures contracts to manage exposure to interest rate, equity and market price movements and/or currency risks. A futures contract is an agreement between two parties (“Counterparties”) to purchase or sell a specified underlying security, currency or commodity (or delivery of a cash settlement price, in the case of an index future) for a fixed price at a future date. The Fund currently invests only in exchange-traded futures and they are standardized as to maturity date and underlying financial instrument. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral at the futures commission merchant (broker). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by recalculating the value of the contracts on a daily basis. Subsequent or variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. These amounts are reflected as receivables or payables on the Statement of Assets and Liabilities. When the contracts are closed or expire, the Fund recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Fund's basis in the contract. The net realized gain (loss) and the change in unrealized gain (loss) on futures contracts held during the period is included on the Statement of Operations. The primary risks associated with futures contracts are market risk and the absence of a liquid secondary market. If the Fund were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Fund would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Futures contracts have minimal Counterparty risk since the exchange's clearinghouse, as Counterparty to all exchange-traded futures, guarantees the futures against default. Risks may exceed amounts recognized in the Statement of Assets and Liabilities.
- I. Dollar Rolls and Forward Commitment Transactions** – The Fund may enter into dollar roll transactions to enhance the Fund's performance. The Fund executes its dollar roll transactions in the *to be announced* (“TBA”) market whereby the Fund makes a forward commitment to purchase a security and, instead of accepting delivery, the position is offset by the sale of the security with a simultaneous agreement to repurchase at a future date.
- The Fund accounts for dollar roll transactions as purchases and sales and realizes gains and losses on these transactions. These transactions increase the Fund's portfolio turnover rate. The Fund will segregate liquid assets in an amount equal to its dollar roll commitments. Dollar roll transactions are considered borrowings under the 1940 Act.
- Dollar roll transactions involve the risk that a Counterparty to the transaction may fail to complete the transaction. If this occurs, the Fund may lose the opportunity to purchase or sell the security at the agreed upon price. Dollar roll transactions also involve the risk that the value of the securities retained by the Fund may decline below the price of the securities that the Fund has sold but is obligated to purchase under the agreement.
- J. Other Risks** – The Fund may invest in obligations issued by agencies and instrumentalities of the U.S. Government that may vary in the level of support they receive from the government. The government may choose not to provide financial support to government sponsored agencies or instrumentalities if it is not legally obligated to do so. In this case, if the issuer defaulted, the Fund may not be able to recover its investment in such issuer from the U.S. Government. Many securities purchased by the Fund are not guaranteed by the U.S. Government.
- K. Collateral** – To the extent the Fund has designated or segregated a security as collateral and that security is subsequently sold, it is the Fund's practice to replace such collateral no later than the next business day.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with Invesco Advisers, Inc. (the “Adviser” or “Invesco”). Under the terms of the investment advisory agreement, the Fund pays an advisory fee to the Adviser based on the annual rate of the Fund’s average daily net assets as follows:

Average Daily Net Assets	Rate
First \$1 billion	0.47%
Next \$500 million	0.445%
Next \$500 million	0.42%
Next \$500 million	0.395%
Next \$2.5 billion	0.37%
Next \$2.5 billion	0.345%
Next \$2.5 billion	0.32%
Next \$2.5 billion	0.295%
Over \$12.5 billion	0.27%

For the year ended December 31, 2015, the effective advisory fees incurred by the Fund was 0.47%.

Under the terms of a master sub-advisory agreement between the Adviser and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. (collectively, the “Affiliated Sub-Advisers”) the Adviser, not the Fund, may pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide(s) discretionary investment management services to the Fund based on the percentage of assets allocated to such Affiliated Sub-Adviser(s).

The Adviser has contractually agreed, through at least June 30, 2016, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (excluding certain items discussed below) of Class A, Class B, Class C, Class Y and Class R5 shares to 1.50%, 2.25%, 2.25%, 1.25% and 1.25%, respectively, of average daily net assets. In determining the Adviser’s obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on June 30, 2016. The fee waiver agreement cannot be terminated during its term. The Adviser did not waive fees and/or reimburse expenses during the period under the expense limitation.

Further, the Adviser has contractually agreed, through at least June 30, 2017, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash in such affiliated money market funds.

For the year ended December 31, 2015, the Adviser waived advisory fees of \$20,431.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Fund has agreed to pay Invesco for certain administrative costs incurred in providing accounting services to the Fund. For the year ended December 31, 2015, expenses incurred under the agreement are shown in the Statement of Operations as *Administrative services fees*.

The Trust has entered into a transfer agency and service agreement with Invesco Investment Services, Inc. (“IIS”) pursuant to which the Fund has agreed to pay IIS a fee for providing transfer agency and shareholder services to the Fund and reimburse IIS for certain expenses incurred by IIS in the course of providing such services. IIS may make payments to intermediaries that provide omnibus account services, sub-accounting services and/or networking services. All fees payable by IIS to intermediaries that provide omnibus account services or sub-accounting are charged back to the Fund, subject to certain limitations approved by the Trust’s Board of Trustees. For the year ended December 31, 2015, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

Shares of the Fund are distributed by Invesco Distributors, Inc. (“IDI”). The Fund has adopted a distribution plan pursuant to Rule 12b-1 under the 1940 Act, and a service plan (collectively, the “Plans”) for Class A shares, Class B shares and Class C shares to compensate IDI for the sale, distribution, shareholder servicing and maintenance of shareholder accounts for these shares. Under the Plans, the Fund will incur annual fees of up to 0.25% of Class A average daily net assets and up to 1.00% each of Class B and Class C average daily net assets.

With respect to Class B and Class C shares, the Fund is authorized to reimburse in future years any distribution related expenses that exceed the maximum annual reimbursement rate for such class, so long as such reimbursement does not cause the Fund to exceed the Class B and Class C maximum annual reimbursement rate, respectively. With respect to Class A shares, distribution related expenses that exceed the maximum annual reimbursement rate for such class are not carried forward to future years and the Fund will not reimburse IDI for any such expenses.

For the year ended December 31, 2015, expenses incurred under these agreements are shown in the Statement of Operations as *Distribution fees*.

Front-end sales commissions and CDSC (collectively, the “sales charges”) are not recorded as expenses of the Fund. Front-end sales commissions are deducted from proceeds from the sales of Fund shares prior to investment in Class A shares of the Fund. CDSC are deducted from redemption proceeds prior to remittance to the shareholder. During the year ended December 31, 2015, IDI advised the Fund that IDI retained \$16,658 in front-end sales commissions from the sale of Class A shares and \$1,443, \$906 and \$1,791 from Class A, Class B and Class C shares, respectively, for CDSC imposed on redemptions by shareholders.

Certain officers and trustees of the Trust are officers and directors of the Adviser, IIS and/or IDI.

NOTE 3—Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods, giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3), generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 – Prices are determined using quoted prices in an active market for identical assets.

Level 2 – Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 – Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of December 31, 2015. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
Equity Securities	\$13,542,563	\$ -	\$-	\$ 13,542,563
U.S. Treasury Securities	-	1,687,770	-	1,687,770
U.S. Government Sponsored Agency Securities	-	455,447,509	-	455,447,509
Asset-Backed Securities	-	160,659,280	-	160,659,280
Structured Agency Credit Risk Notes	-	2,393,739	-	2,393,739
	13,542,563	620,188,298	-	633,730,861
Futures Contracts*	167,076	-	-	167,076
Total Investments	\$13,709,639	\$620,188,298	\$-	\$633,897,937

* Unrealized appreciation.

NOTE 4—Derivative Investments

Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund's derivative investments, detailed by primary risk exposure, held as of December 31, 2015:

Risk Exposure/Derivative Type	Value	
	Assets	Liabilities
Interest rate risk:		
Futures contracts ^(a)	\$167,076	\$-

^(a) Includes cumulative appreciation of futures contracts. Only current day's variation margin receivable (payable) is reported within the Statement of Assets and Liabilities.

Effect of Derivative Investments for the year ended December 31, 2015

The table below summarizes the gains (losses) on derivative investments, detailed by primary risk exposure, recognized in earnings during the period:

	Location of Gain (Loss) on Statement of Operations
	Futures Contracts
Realized Gain (Loss):	
Interest rate risk	\$(1,188,145)
Change in Net Unrealized Appreciation:	
Interest rate risk	413,318
Total	\$ (774,827)

The table below summarizes the average notional value of futures contracts outstanding during the period.

	Futures Contracts
Average notional value	\$71,106,725

Open Futures Contracts

Futures Contracts	Type of Contract	Number of Contracts	Expiration Month	Notional Value	Unrealized Appreciation
U.S. Treasury 2 Year Notes	Short	92	March-2016	\$(19,985,563)	\$ 34,303
U.S. Treasury 5 Year Notes	Short	80	March-2016	(9,465,625)	57,950
U.S. Treasury 10 Year Notes	Short	103	March-2016	(12,968,344)	43,815
U.S. Treasury Bonds	Short	87	March-2016	(13,376,250)	31,008
Total Futures Contracts – Interest Rate Risk					\$167,076

NOTE 5—Expense Offset Arrangement(s)

The expense offset arrangement is comprised of transfer agency credits which result from balances in demand deposit accounts used by the transfer agent for clearing shareholder transactions. For the year ended December 31, 2015, the Fund received credits from this arrangement, which resulted in the reduction of the Fund's total expenses of \$2,041.

NOTE 6—Trustees' and Officers' Fees and Benefits

Trustees' and Officers' Fees and Benefits include amounts accrued by the Fund to pay remuneration to certain Trustees and Officers of the Fund. Trustees have the option to defer compensation payable by the Fund, and *Trustees' and Officers' Fees and Benefits* also include amounts accrued by the Fund to fund such deferred compensation amounts. Those Trustees who defer compensation have the option to select various Invesco Funds in which their deferral accounts shall be deemed to be invested. Finally, certain current Trustees were eligible to participate in a retirement plan that provided for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Fund may have certain former Trustees who also participate in a retirement plan and receive benefits under such plan. *Trustees' and Officers' Fees and Benefits* include amounts accrued by the Fund to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Fund.

NOTE 7—Cash Balances

The Fund may borrow for leveraging in an amount up to 5% of the Fund's total assets (excluding the amount borrowed) at the time the borrowing is made. In doing so, the Fund is permitted to temporarily carry a negative or overdrawn balance in its account with State Street Bank and Trust Company, the custodian bank. Such balances, if any at period end, are shown in the Statement of Assets and Liabilities under the payable caption *Amount due custodian*. To compensate the custodian bank for such overdrafts, the overdrawn Fund may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate. The Fund may not purchase additional securities when any borrowings from banks exceed 5% of the Fund's total assets.

NOTE 8—Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended December 31, 2015 and 2014:

	2015	2014
Ordinary income	\$17,765,284	\$19,962,452

Tax Components of Net Assets at Period-End:

	2015
Undistributed ordinary income	\$ 65,613
Net unrealized appreciation – investments	2,739,679
Temporary book/tax differences	(81,659)
Capital loss carryforward	(110,133,307)
Shares of beneficial interest	535,442,888
Total net assets	\$ 428,033,214

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is due to differences in the timing of recognition of gains and losses on investments for tax and book purposes. The Fund's net unrealized appreciation difference is attributable primarily to wash sales and bond amortization.

The temporary book/tax differences are a result of timing differences between book and tax recognition of income and/or expenses. The Fund's temporary book/tax differences are the result of the trustee deferral of compensation and retirement plan benefits.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. Capital losses generated in years beginning after December 22, 2010 can be carried forward for an unlimited period, whereas previous losses expire in eight tax years. Capital losses with an expiration period may not be used to offset capital gains until all net capital losses without an expiration date have been utilized. Capital loss carryforwards with no expiration date will retain their character as either short-term or long-term capital losses instead of as short-term capital losses as under prior law. The ability to utilize capital loss carryforwards in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Fund has a capital loss carryforward as of December 31, 2015, which expires as follows:

Capital Loss Carryforward*			
Expiration	Short-Term	Long-Term	Total
December 31, 2016	\$ 91,151,310	\$ -	\$ 91,151,310
Not subject to expiration	9,464,111	9,517,886	18,981,997
	<u>\$100,615,421</u>	<u>\$9,517,886</u>	<u>\$110,133,307</u>

* Capital loss carryforward as of the date listed above is reduced for limitations, if any, to the extent required by the Internal Revenue Code and may be further limited depending upon a variety of factors, including the realization of net unrealized gains or losses as of the date of any reorganization.

NOTE 9—Investment Securities

The aggregate amount of investment securities (other than short-term securities, U.S. Treasury obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2015 was \$3,141,860,950 and \$3,151,132,894, respectively. Cost of investments on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed federal income tax reporting period-end.

Unrealized Appreciation (Depreciation) of Investment Securities on a Tax Basis

Aggregate unrealized appreciation of investment securities	\$ 8,040,309
Aggregate unrealized (depreciation) of investment securities	(5,300,630)
<u>Net unrealized appreciation of investment securities</u>	<u>\$ 2,739,679</u>

Cost of investments for tax purposes is \$630,991,182.

NOTE 10—Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of paydowns, dollar rolls and expired capital loss carryforward, on December 31, 2015, undistributed net investment income was increased by \$9,179,401, undistributed net realized gain (loss) was increased by \$9,221,521 and shares of beneficial interest was decreased by \$18,400,922. This reclassification had no effect on the net assets of the Fund.

NOTE 11—Share Information

	Summary of Share Activity			
	Years ended December 31,			
	2015 ^(a)		2014	
	Shares	Amount	Shares	Amount
Sold:				
Class A	2,748,375	\$ 34,083,709	2,331,170	\$ 29,176,659
Class B	4,444	54,759	6,987	86,900
Class C	433,849	5,345,756	286,853	3,557,354
Class Y	1,350,741	16,823,165	1,497,316	18,809,397
Class R5	1,261	15,602	459	5,789
Issued as reinvestment of dividends:				
Class A	989,432	12,283,437	1,125,151	14,058,377
Class B	3,977	49,183	7,037	87,430
Class C	18,511	228,100	18,399	228,300
Class Y	16,548	206,639	18,060	226,717
Class R5	32	403	-	-
Automatic conversion of Class B shares to Class A shares:				
Class A	47,714	592,205	53,100	662,730
Class B	(47,955)	(592,205)	(53,376)	(662,730)
Reacquired:				
Class A	(5,220,201)	(64,858,409)	(5,414,289)	(67,602,867)
Class B	(37,923)	(468,963)	(49,884)	(618,750)
Class C	(328,580)	(4,053,278)	(290,257)	(3,599,799)
Class Y	(1,134,313)	(14,201,521)	(164,193)	(2,062,985)
Class R5	(289)	(3,558)	(28)	(353)
Net increase (decrease) in share activity	(1,154,377)	\$(14,494,976)	(627,495)	\$ (7,647,831)

^(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 19% of the outstanding shares of the Fund. IDI has an agreement with these entities to sell Fund shares. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as securities brokerage, distribution, third party record keeping and account servicing. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

NOTE 12—Financial Highlights

The following schedule presents financial highlights for a share of the Fund outstanding throughout the periods indicated.

	Net asset value, beginning of period	Net investment income ^(a)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends from net investment income	Net asset value, end of period	Total return ^(b)	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed	Ratio of net investment income to average net assets	Portfolio turnover ^(c)
Class A												
Year ended 12/31/15	\$12.55	\$0.24	\$(0.06)	\$ 0.18	\$(0.51)	\$12.22	1.41% ^(d)	\$395,806	0.96% ^{(d)(e)}	0.96% ^{(d)(e)}	1.88% ^{(d)(e)}	500%
Year ended 12/31/14	12.35	0.28	0.48	0.76	(0.56)	12.55	6.27 ^(d)	424,259	0.96 ^(d)	0.96 ^(d)	2.28 ^(d)	450
Year ended 12/31/13	13.02	0.21	(0.40)	(0.19)	(0.48)	12.35	(1.51) ^(d)	441,028	0.94 ^(d)	0.94 ^(d)	1.63 ^(d)	475
Year ended 12/31/12	12.99	0.25	0.33	0.58	(0.55)	13.02	4.54	531,547	0.94	0.94	1.88	451
Year ended 12/31/11	13.00	0.39	0.26	0.65	(0.66)	12.99	5.06	564,871	0.90	0.90	2.99	395
Class B												
Year ended 12/31/15	12.48	0.14	(0.05)	0.09	(0.41)	12.16	0.71	1,138	1.72 ^(e)	1.72 ^(e)	1.12 ^(e)	500
Year ended 12/31/14	12.28	0.18	0.48	0.66	(0.46)	12.48	5.48	2,135	1.72	1.72	1.52	450
Year ended 12/31/13	12.95	0.11	(0.40)	(0.29)	(0.38)	12.28	(2.28)	3,197	1.70	1.70	0.87	475
Year ended 12/31/12	12.93	0.15	0.32	0.47	(0.45)	12.95	3.67	5,729	1.69	1.69	1.13	451
Year ended 12/31/11	12.92	0.29	0.27	0.56	(0.55)	12.93	4.43	8,186	1.66	1.66	2.23	395
Class C												
Year ended 12/31/15	12.46	0.14	(0.05)	0.09	(0.41)	12.14	0.71	9,394	1.72 ^(e)	1.72 ^(e)	1.12 ^(e)	500
Year ended 12/31/14	12.26	0.19	0.47	0.66	(0.46)	12.46	5.48	8,100	1.72	1.72	1.52	450
Year ended 12/31/13	12.93	0.11	(0.40)	(0.29)	(0.38)	12.26	(2.29)	7,788	1.70	1.70	0.87	475
Year ended 12/31/12	12.90	0.15	0.33	0.48	(0.45)	12.93	3.75	12,003	1.69	1.69	1.13	451
Year ended 12/31/11	12.91	0.29	0.25	0.54	(0.55)	12.90	4.27	9,308	1.66	1.66	2.23	395
Class Y												
Year ended 12/31/15	12.59	0.26	(0.04)	0.22	(0.54)	12.27	1.75	21,668	0.72 ^(e)	0.72 ^(e)	2.12 ^(e)	500
Year ended 12/31/14	12.39	0.32	0.47	0.79	(0.59)	12.59	6.52	19,306	0.72	0.72	2.52	450
Year ended 12/31/13	13.07	0.24	(0.41)	(0.17)	(0.51)	12.39	(1.32)	2,254	0.70	0.70	1.87	475
Year ended 12/31/12	13.04	0.28	0.33	0.61	(0.58)	13.07	4.79	3,759	0.69	0.69	2.13	451
Year ended 12/31/11	13.04	0.42	0.27	0.69	(0.69)	13.04	5.40	1,721	0.66	0.66	3.23	395
Class R5												
Year ended 12/31/15	12.59	0.27	(0.06)	0.21	(0.54)	12.26	1.71	27	0.68 ^(e)	0.68 ^(e)	2.16 ^(e)	500
Year ended 12/31/14	12.39	0.33	0.47	0.80	(0.60)	12.59	6.56	15	0.67	0.67	2.57	450
Year ended 12/31/13	13.06	0.25	(0.41)	(0.16)	(0.51)	12.39	(1.23)	10	0.66	0.66	1.91	475
Year ended 12/31/12	13.03	0.28	0.33	0.61	(0.58)	13.06	4.80	10	0.65	0.65	2.17	451
Year ended 12/31/11	13.04	0.43	0.26	0.69	(0.70)	13.03	5.38	10	0.63	0.63	3.26	395

^(a) Calculated using average shares outstanding.

^(b) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. Does not include sales charges and is not annualized for periods less than one year, if applicable.

^(c) Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.

^(d) The total return, ratio of expenses to average net assets and ratio of net investment income to average net assets reflect actual 12b-1 fees of 0.24% for the years ended December 31, 2015, 2014 and 2013.

^(e) Ratios are based on average daily net assets (000's omitted) of \$407,962, \$1,629, \$8,542, \$18,309 and \$19 for Class A, Class B, Class C, Class Y and Class R5, respectively.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of AIM Growth Series (Invesco Growth Series)
and Shareholders of Invesco U.S. Mortgage Fund:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Invesco U.S. Mortgage Fund (one of the funds constituting AIM Growth Series (Invesco Growth Series), hereafter referred to as the "Fund") at December 31, 2015, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2015 by correspondence with the custodian and brokers, and the application of alternative auditing procedures where confirmations of security purchases have not been received, provide a reasonable basis for our opinion.

PRICEWATERHOUSECOOPERS LLP

Houston, Texas
February 24, 2016

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, which may include sales charges (loads) on purchase payments or contingent deferred sales charges on redemptions, if any; and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees, and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period July 1, 2015 through December 31, 2015.

Actual expenses

The table below provides information about actual account values and actual expenses. You may use the information in this table, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Actual Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The table below also provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return.

The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads) on purchase payments or contingent deferred sales charges on redemptions, if any. Therefore, the hypothetical information is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

Class	Beginning Account Value (07/01/15)	ACTUAL		HYPOTHETICAL (5% annual return before expenses)		Annualized Expense Ratio
		Ending Account Value (12/31/15) ¹	Expenses Paid During Period ²	Ending Account Value (12/31/15)	Expenses Paid During Period ²	
A	\$1,000.00	\$1,009.60	\$4.86	\$1,020.37	\$4.89	0.96%
B	1,000.00	1,005.80	8.70	1,016.53	8.74	1.72
C	1,000.00	1,006.60	8.70	1,016.53	8.74	1.72
Y	1,000.00	1,010.90	3.65	1,021.58	3.67	0.72
R5	1,000.00	1,011.10	3.45	1,021.78	3.47	0.68

¹ The actual ending account value is based on the actual total return of the Fund for the period July 1, 2015 through December 31, 2015, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

² Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 184/365 to reflect the most recent fiscal half year.

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax advisors.

The following distribution information is being provided as required by the Internal Revenue Code or to meet a specific state's requirement.

The Fund designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended December 31, 2015:

Federal and State Income Tax

Qualified Dividend Income*	0%
Corporate Dividends Received Deduction*	0%
U.S. Treasury Obligations*	0.16%

* The above percentages are based on ordinary income dividends paid to shareholders during the Fund's fiscal year.

Trustees and Officers

The address of each trustee and officer is AIM Growth Series (Invesco Growth Series) (the "Trust"), 11 Greenway Plaza, Suite 1000, Houston, Texas 77046-1173. The trustees serve for the life of the Trust, subject to their earlier death, incapacitation, resignation, retirement or removal as more specifically provided in the Trust's organizational documents. Each officer serves for a one year term or until their successors are elected and qualified. Column two below includes length of time served with predecessor entities, if any.

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/ or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Interested Persons				
Martin L. Flanagan ¹ – 1960 Trustee	2007	Executive Director, Chief Executive Officer and President, Invesco Ltd. (ultimate parent of Invesco and a global investment management firm); Advisor to the Board, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Trustee, The Invesco Funds; Vice Chair, Investment Company Institute; and Member of Executive Board, SMU Cox School of Business Formerly: Chairman and Chief Executive Officer, Invesco Advisers, Inc. (registered investment adviser); Director, Chairman, Chief Executive Officer and President, IVZ Inc. (holding company), INVESCO Group Services, Inc. (service provider) and Invesco North American Holdings, Inc. (holding company); Director, Chief Executive Officer and President, Invesco Holding Company Limited (parent of Invesco and a global investment management firm); Director, Invesco Ltd.; Chairman, Investment Company Institute and President, Co-Chief Executive Officer, Co-President, Chief Operating Officer and Chief Financial Officer, Franklin Resources, Inc. (global investment management organization)	146	None
Philip A. Taylor ² – 1954 Trustee, President and Principal Executive Officer	2006	Head of North American Retail and Senior Managing Director, Invesco Ltd.; Director, Co-Chairman, Co-President and Co-Chief Executive Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director, Chairman, Chief Executive Officer and President, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.) (financial services holding company); Director and Chairman, Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.) (registered transfer agent) Chief Executive Officer, Invesco Corporate Class Inc. (corporate mutual fund company) Director, Chairman and Chief Executive Officer, Invesco Canada Ltd. (formerly known as Invesco Trimark Ltd./Invesco Trimark Ltée) (registered investment adviser and registered transfer agent); Trustee, President and Principal Executive Officer, The Invesco Funds (other than AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust), Short-Term Investments Trust and Invesco Management Trust); Trustee and Executive Vice President, The Invesco Funds (AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust), Short-Term Investments Trust and Invesco Management Trust only); Director, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Director, Chief Executive Officer and President, Van Kampen Exchange Corp. Formerly: Director and President, INVESCO Funds Group, Inc. (registered investment adviser and registered transfer agent); Director and Chairman, IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.) (registered broker dealer); Director, President and Chairman, Invesco Inc. (holding company), Invesco Canada Holdings Inc. (holding company), Trimark Investments Ltd./Placements Trimark Ltée and Invesco Financial Services Ltd./Services Financiers Invesco Ltée; Chief Executive Officer, Invesco Canada Fund Inc (corporate mutual fund company); Director and Chairman, Van Kampen Investor Services Inc.; Director, Chief Executive Officer and President, 1371 Preferred Inc. (holding company) and Van Kampen Investments Inc.; Director and President, AIM GP Canada Inc. (general partner for limited partnerships) and Van Kampen Advisors, Inc.; Director and Chief Executive Officer, Invesco Trimark Dealer Inc. (registered broker dealer); Director, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.) (registered broker dealer); Manager, Invesco PowerShares Capital Management LLC; Director, Chief Executive Officer and President, Invesco Advisers, Inc.; Director, Chairman, Chief Executive Officer and President, Invesco Aim Capital Management, Inc.; President, Invesco Trimark Dealer Inc. and Invesco Trimark Ltd./Invesco Trimark Ltée; Director and President, AIM Trimark Corporate Class Inc. and AIM Trimark Canada Fund Inc.; Senior Managing Director, Invesco Holding Company Limited; Director and Chairman, Fund Management Company (former registered broker dealer); President and Principal Executive Officer, The Invesco Funds (AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust), and Short-Term Investments Trust only); President, AIM Trimark Global Fund Inc. and AIM Trimark Canada Fund Inc	146	None

¹ Mr. Flanagan is considered an interested person (within the meaning of Section 2(a)(19) of the 1940 Act) of the Trust because he is an officer of the Adviser to the Trust, and an officer and a director of Invesco Ltd., ultimate parent of the Adviser.

² Mr. Taylor is considered an interested person (within the meaning of Section 2(a)(19) of the 1940 Act) of the Trust because he is an officer and a director of the Adviser.

Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Independent Trustees				
Bruce L. Crockett – 1944 Trustee and Chair	2003	Chairman, Crockett Technologies Associates (technology consulting company) Formerly: Director, Captaris (unified messaging provider); Director, President and Chief Executive Officer, COMSAT Corporation; Chairman, Board of Governors of INTELSAT (international communications company); ACE Limited (insurance company); Independent Directors Council and Investment Company Institute	146	ALPS (Attorneys Liability Protection Society) (insurance company) and Globe Specialty Metals, Inc. (metallurgical company)
David C. Arch – 1945 Trustee	2010	Chairman of Blistex Inc., a consumer health care products manufacturer	146	Board member of the Illinois Manufacturers' Association; Member of the Board of Visitors, Institute for the Humanities, University of Michigan
James T. Bunch – 1942 Trustee	2000	Managing Member, Grumman Hill Group LLC (family office/private equity investments) Formerly: Chairman of the Board of Trustees, Evans Scholars Foundation and Chairman, Board of Governors, Western Golf Association	146	Trustee, Evans Scholars Foundation; and Chairman of the Board, Denver Film Society
Albert R. Dowden – 1941 Trustee	2003	Director of a number of public and private business corporations, including the Boss Group, Ltd. (private investment and management); Nature's Sunshine Products, Inc. and Reich & Tang Funds (5 portfolios) (registered investment company) Formerly: Director, Homeowners of America Holding Corporation/Homeowners of America Insurance Company (property casualty company); Director, Continental Energy Services, LLC (oil and gas pipeline service); Director, CompuDyne Corporation (provider of product and services to the public security market) and Director, Annuity and Life Re (Holdings), Ltd. (reinsurance company); Director, President and Chief Executive Officer, Volvo Group North America, Inc.; Senior Vice President, AB Volvo; Director of various public and private corporations; Chairman, DHJ Media, Inc.; Director, Magellan Insurance Company; and Director, The Hertz Corporation, Genmar Corporation (boat manufacturer), National Media Corporation; Advisory Board of Rotary Power International (designer, manufacturer, and seller of rotary power engines); and Chairman, Cortland Trust, Inc. (registered investment company)	146	Director of: Nature's Sunshine Products, Inc., Reich & Tang Funds, Homeowners of America Holding Corporation/Homeowners of America Insurance Company, the Boss Group
Jack M. Fields – 1952 Trustee	2003	Chief Executive Officer, Twenty First Century Group, Inc. (government affairs company); Owner and Chief Executive Officer, Dos Angeles Ranch, L.P. (cattle, hunting, corporate entertainment); and Discovery Global Education Fund (non-profit) Formerly: Chief Executive Officer, Texana Timber LP (sustainable forestry company); Director of Cross Timbers Quail Research Ranch (non-profit); and member of the U.S. House of Representatives	146	Insperity, Inc. (formerly known as Administaff)
Eli Jones – Trustee	2016	Professor and Dean, Mays Business School, Texas A&M University Formerly: Professor and Dean, Walton College of Business, University of Arkansas, and E.J. Ourso College of Business, Louisiana State University	146	Director, Insperity, Inc., (2011-present) and ARVEST Bank (2012-2015)
Prema Mathai-Davis – 1950 Trustee	2003	Retired. Formerly: Chief Executive Officer, YWCA of the U.S.A.	146	None
Larry Soll – 1942 Trustee	1997	Retired. Formerly: Chairman, Chief Executive Officer and President, Synergen Corp. (a biotechnology company)	146	None
Robert C. Troccoli – Trustee	2016	Retired. Formerly: Senior Partner, KPMG LLP	146	None
Raymond Stickel, Jr. – 1944 Trustee	2005	Retired. Formerly: Director, Mainstay VP Series Funds, Inc. (25 portfolios) and Partner, Deloitte & Touche	146	None
Suzanne H. Woolsey – 1941 Trustee	2014	Chief Executive Officer of Woolsey Partners LLC	146	Emeritus Chair of the Board of Trustees of the Institute for Defense Analyses; Trustee of Colorado College; Trustee of California Institute of Technology; Prior to 2014, Director of Fluor Corp.; Prior to 2010, Trustee of the German Marshall Fund of the United States; Prior to 2010 Trustee of the Rocky Mountain Institute

Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Other Officers				
Russell C. Burk – 1958 Senior Vice President and Senior Officer	2005	Senior Vice President and Senior Officer, The Invesco Funds	N/A	N/A
John M. Zerr – 1962 Senior Vice President, Chief Legal Officer and Secretary	2006	<p>Director, Senior Vice President, Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.) and Van Kampen Exchange Corp.; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Senior Vice President and Secretary, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Vice President and Secretary, Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.); Senior Vice President, Chief Legal Officer and Secretary, The Invesco Funds; Managing Director, Invesco PowerShares Capital Management LLC; Director, Secretary and General Counsel, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Secretary and General Counsel, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.) and Chief Legal Officer, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust, and PowerShares Actively Managed Exchange-Traded Commodity Fund Trust</p> <p>Formerly: Director, Vice President and Secretary, IVZ Distributors, Inc. (formerly known as INVESCO distributors, Inc.); Director and Vice President, INVESCO Funds Group, Inc.; Director and Vice President, Van Kampen Advisors Inc.; Director, Vice President, Secretary and General Counsel, Van Kampen Investor Services Inc.; Director, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Senior Vice President, General Counsel and Secretary, Invesco Aim Advisers, Inc. and Van Kampen Investments Inc.; Director, Vice President and Secretary, Fund Management Company; Director, Senior Vice President, Secretary, General Counsel and Vice President, Invesco Aim Capital Management, Inc.; Chief Operating Officer and General Counsel, Liberty Ridge Capital, Inc. (an investment adviser); Vice President and Secretary, PBHG Funds (an investment company) and PBHG Insurance Series Fund (an investment company); Chief Operating Officer, General Counsel and Secretary, Old Mutual Investment Partners (a broker-dealer); General Counsel and Secretary, Old Mutual Fund Services (an administrator) and Old Mutual Shareholder Services (a shareholder servicing center); Executive Vice President, General Counsel and Secretary, Old Mutual Capital, Inc. (an investment adviser); and Vice President and Secretary, Old Mutual Advisors Funds (an investment company)</p>	N/A	N/A
Sheri Morris – 1964 Vice President, Treasurer and Principal Financial Officer	2003	<p>Vice President, Treasurer and Principal Financial Officer, The Invesco Funds; Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); and Vice President, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust, and PowerShares Actively Managed Exchange-Traded Commodity Fund Trust</p> <p>Formerly: Vice President, Invesco Aim Advisers, Inc., Invesco Aim Capital Management, Inc. and Invesco Aim Private Asset Management, Inc.; Assistant Vice President and Assistant Treasurer, The Invesco Funds and Assistant Vice President, Invesco Advisers, Inc., Invesco Aim Capital Management, Inc. and Invesco Aim Private Asset Management, Inc.; and Treasurer, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust and PowerShares Actively Managed Exchange-Traded Fund Trust</p>	N/A	N/A

Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Other Officers—(continued)				
Karen Dunn Kelley – 1960 Vice President	2003	Senior Managing Director, Investments, Invesco Ltd.; Director, Co-President, Co-Chief Executive Officer, and Co-Chairman, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Chairman, Invesco Senior Secured Management, Inc.; Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.); Executive Vice President, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Invesco Mortgage Capital Inc. and Invesco Management Company Limited; Vice President, The Invesco Funds (other than AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust), Short-Term Investments Trust and Invesco Management Trust); and President and Principal Executive Officer, The Invesco Funds (AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust), Short-Term Investments Trust and Invesco Management Trust only) Formerly: Director and President, INVESCO Asset Management (Bermuda) Ltd., Director, INVESCO Global Asset Management Limited and INVESCO Management S.A.; Senior Vice President, Van Kampen Investments Inc. and Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Director of Cash Management and Senior Vice President, Invesco Advisers, Inc. and Invesco Aim Capital Management, Inc.; Director and President, Fund Management Company; Chief Cash Management Officer, Director of Cash Management, Senior Vice President, and Managing Director, Invesco Aim Capital Management, Inc.; Director of Cash Management, Senior Vice President, and Vice President, Invesco Advisers, Inc. and The Invesco Funds (AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust), and Short-Term Investments Trust only)	N/A	N/A
Crissie M. Wisdom – 1969 Anti-Money Laundering Compliance Officer	2013	Anti-Money Laundering Compliance Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser), Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.), Invesco Distributors, Inc., Invesco Investment Services, Inc., Invesco Management Group, Inc., Van Kampen Exchange Corp., The Invesco Funds, and PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Fund Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust and PowerShares Actively Managed Exchange-Traded Commodity Fund Trust; Anti-Money Laundering Compliance Officer and Bank Secrecy Act Officer, INVESCO National Trust Company and Invesco Trust Company; and Fraud Prevention Manager and Controls and Risk Analysis Manager for Invesco Investment Services, Inc.	N/A	N/A
Lisa O. Brinkley – 1959 Chief Compliance Officer	2015	Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser) (formerly known as Invesco Institutional (N.A.), Inc.); and Chief Compliance Officer, The Invesco Funds Formerly: Global Assurance Officer, Invesco Ltd. and Vice President, The Invesco Funds; Chief Compliance Officer, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.), Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.) and Van Kampen Investor Services Inc.; Senior Vice President, Invesco Management Group, Inc.; Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. and The Invesco Funds; Vice President and Chief Compliance Officer, Invesco Aim Capital Management, Inc. and Invesco Distributors, Inc.; Vice President, Invesco Investment Services, Inc. and Fund Management Company	N/A	N/A

The Statement of Additional Information of the Trust includes additional information about the Fund's Trustees and is available upon request, without charge, by calling 1.800.959.4246. Please refer to the Fund's prospectus for information on the Fund's sub-advisers.

Office of the Fund

11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Investment Adviser

Invesco Advisers, Inc.
1555 Peachtree Street, N.E.
Atlanta, GA 30309

Distributor

Invesco Distributors, Inc.
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Auditors

PricewaterhouseCoopers LLP
1000 Louisiana Street, Suite 5800
Houston, TX 77002-5678

Counsel to the Fund

Stradley Ronon Stevens & Young, LLP
2005 Market Street, Suite 2600
Philadelphia, PA 19103-7018

Counsel to the Independent Trustees

Goodwin Procter LLP
901 New York Avenue, N.W.
Washington, D.C. 20001

Transfer Agent

Invesco Investment Services, Inc.
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Custodian

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110-2801



Go Paperless with eDelivery

Visit invesco.com/edelivery to receive quarterly statements, tax forms, fund reports and prospectuses with a service that's all about eeee:

- **environmentally friendly.** Go green by reducing the number of trees used to produce paper.
- **economical.** Help reduce your fund's printing and delivery expenses and put more capital back in your fund's returns.
- **efficient.** Stop waiting for regular mail. Your documents will be sent via email as soon as they're available.
- **easy.** Download, save and print files using your home computer with a few clicks of your mouse.

This service is provided by Invesco Investment Services, Inc.

Invesco mailing information

Send general correspondence to Invesco Investment Services, Inc., P.O. Box 219078, Kansas City, MO 64121-9078.

Important notice regarding delivery of security holder documents

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). Mailing of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact Invesco Investment Services, Inc. at 800 959 4246 or contact your financial institution. We will begin sending you individual copies for each account within 30 days after receiving your request.

Fund holdings and proxy voting information

The Fund provides a complete list of its holdings four times in each fiscal year, at the quarter ends. For the second and fourth quarters, the lists appear in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the lists with the Securities and Exchange Commission (SEC) on Form N-Q. The most recent list of portfolio holdings is available at invesco.com/completetrholdings. Shareholders can also look up the Fund's Forms N-Q on the SEC website at sec.gov. Copies of the Fund's Forms N-Q may be reviewed and copied at the SEC Public Reference Room in Washington, D.C. You can obtain information on the operation of the Public Reference Room, including information about duplicating fee charges, by calling 202 551 8090 or 800 732 0330, or by electronic request at the following email address: publicinfo@sec.gov. The SEC file numbers for the Fund are shown below.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 959 4246 or at invesco.com/proxyguidelines. The information is also available on the SEC website, sec.gov.

Information regarding how the Fund voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 is available at invesco.com/proxysearch. The information is also available on the SEC website, sec.gov.

Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the US distributor for Invesco Ltd.'s retail mutual funds, exchange-traded funds and institutional money market funds. Both are wholly owned, indirect subsidiaries of Invesco Ltd.

