



AIM Basic Balanced Fund

Large-cap value

Data as of Dec. 31, 2009

Investment objective and strategy

The fund seeks long-term growth of capital and current income by investing in a broadly diversified portfolio of stocks and bonds.

Portfolio management

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How does the fund fit into your portfolio?

- **Focus on long-term absolute performance.** The fund seeks to create wealth by maintaining a long-term investment horizon and investing in companies that are significantly undervalued on an absolute basis.
- **Traditional large value holding.** The fund adheres to a traditional intrinsic value investment philosophy where the primary goal is to protect and grow portfolio intrinsic value.
- **Diversification.** The fund may enhance overall portfolio diversification due to its fixed income component and low correlation with popular benchmarks, peers and the market in general.

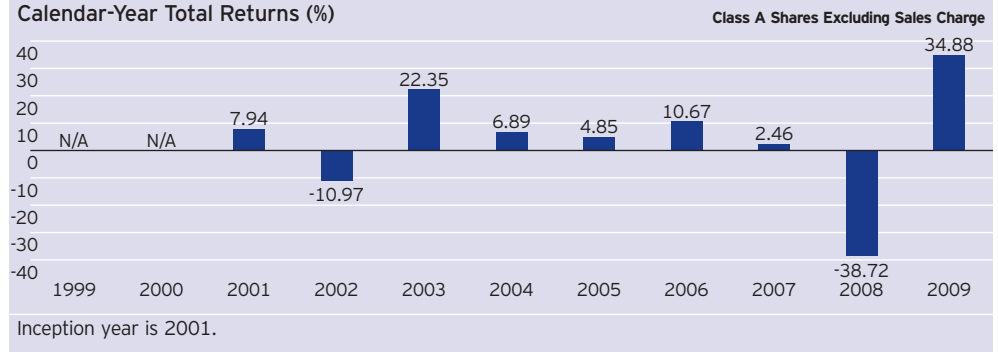
Investment Results

Average Annual Total Returns (%)							as of Dec. 31, 2009
Period	Class A Shares Inception: 09/28/01		Class C Shares Inception: 09/28/01		Investor Class Shares Inception: 07/15/05	Class Y Shares Inception: 10/03/08	Style-Specific Index
	Max Load 5.50%	NAV	Max CDSC 1.00%	NAV	NAV	NAV	Custom Basic Balanced Index
Inception	1.89	2.59	1.86	1.86	2.58	2.61	-
5 Years	-1.47	-0.35	-1.11	-1.11	-0.37	-0.31	2.17
3 Years	-7.15	-5.39	-6.12	-6.12	-5.42	-5.32	-2.70
1 Year	27.39	34.88	32.81	33.81	34.75	35.07	14.81
Quarter	-1.23	4.54	3.36	4.36	4.44	4.50	2.64

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit invescoaim.com for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary so that you may have a gain or a loss when you sell shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Investor Class shares have no sales charge; therefore, performance is at NAV. Returns since the Investor Class shares' inception date are historical returns. All other returns are blended returns of historical Investor Class share performance and restated Class A share performance (for periods prior to the inception date of Investor Class shares) at NAV and reflect the Rule 12b-1 fees applicable to Class A shares. Class Y shares have no sales charge; therefore, performance is at NAV. Returns since the Class Y shares' inception date are actual returns. All other returns are blended returns of actual Class Y share performance and restated Class A share performance (for periods prior to the inception date of Class Y shares) at NAV and reflect the Rule 12b-1 fees as well as any fee waivers or expense reimbursements applicable to Class A shares. Returns less than one year are cumulative; all other performance figures are annualized.

Index sources: Invesco, Lipper Inc.

Calendar-Year Total Returns (%)



About risk

The values of convertible securities in which the fund invests may be affected by market interest rates, the risk that the issuer may default on interest or principal payments, and the value of the underlying common stock into which these securities may be converted.

Prices of equity securities change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity.

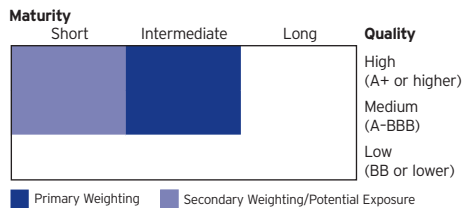
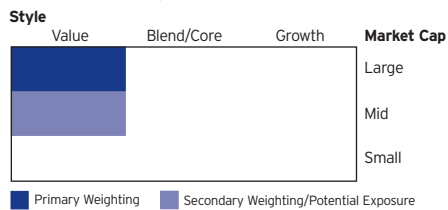
Foreign securities have additional risks, including exchange rate changes, political and economic upheaval, relative lack of information, relatively low market liquidity, and the potential lack of strict financial and accounting controls and standards.

The prices of securities held by the fund may decline in response to market risks.

Fund Facts

Nasdaq	A: BBLAX B: BBLBX C: BBLCX Investor: BBLTX Y: BBLYX R: BBLRX I: BBLIX
Total Net Assets	\$678,610,287
Total Number of Holdings	421
Annual Turnover (as of 12/31/08)	50%

Investment Map(s)



The maps illustrate areas in which the fund typically invests, not necessarily within a limited period of time. This fund is not classified with regard to one primary bond quality.

Top Equity Holdings	% of Total Net Assets
ASML Holding N.V.	3.93
UnitedHealth Group Inc.	3.18
Moody's Corp.	2.72
XL Capital Ltd.	2.51
Robert Half International Inc.	2.48

Holdings are subject to change and are not buy/sell recommendations.

Bond Holding Statistics

Weighted Average Effective Maturity (years)	6.50
Effective Duration	4.60
Average Credit Quality	A

30-Day SEC Yields

	% Total
Class A Shares	0.69
Class C Shares	0.00
Investor Class Shares	0.73
Class Y Shares	0.98

Expense Ratios

	% Net	% Total
Class A Shares	1.20	1.20
Class C Shares	1.95	1.95
Investor Class Shares	1.20	1.20
Class Y Shares	0.95	0.95

Per the current prospectus

Investor Class shares are closed to new investors. Investors should contact their financial adviser about other share classes.

Class Y shares are available only to certain investors. See the prospectus for more information.

The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

The Custom Basic Balanced Index, created by Invesco Aim to serve as a benchmark for AIM Basic Balanced Fund, is composed of the following indexes: Russell 1000® Value (60%) and Barclays Capital U.S. Aggregate (40%). The Russell 1000 Value Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index.

12-month forward and trailing P/E are calculated using weighted harmonic averaging, which helps avoid extreme results that may occur due to small relative numbers in the denominator. It doesn't exclude extreme values; instead, it reduces the effect of outliers on the aggregate calculation. The **price/book ratio** is the market price of a stock divided by the book value per share.

Return on equity (ROE) is net income divided by net worth. The **three-year EPS growth rate** is a weighted average of each stock holding's growth rate in earnings per share (EPS). EPS is total earnings divided by the number of shares outstanding. The **five-year dividend growth rate** is the weighted average of each stock holding's annualized percentage rate of growth in dividend yield over five years. **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **R-squared** (cash adjusted) expresses the proportion of variation in the return of one fund explained by the return of a benchmark. **Tracking error** measures the difference between returns of a portfolio and its benchmark index. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Weighted average effective maturity** is a measure, as estimated by the fund's portfolio managers, of the length of time the average security in a bond fund will mature or be redeemed by its issuer. It takes into account mortgage prepayments, puts, adjustable coupons and potential call dates. **Effective duration** is a measure, as estimated by the fund's portfolio managers, of a bond fund's price sensitivity to changes in interest rates. It takes into account mortgage prepayments, puts, adjustable coupons and potential call dates. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. NR indicates the debtor was not rated and should not be interpreted as indicating low quality.

All data provided by Invesco unless otherwise noted.

External Comparisons

Morningstar Ratings and Rankings and Lipper Rankings

Class A Shares as of Dec. 31, 2009

	Overall	1 Year	3 Years	5 Years	10 Years
vs. Morningstar Moderate Allocation Category*					
A Shares (Load)	★	N/A	★	★	N/A
A Shares (Load Waived)	★	N/A	★	★	N/A
Number of Funds in Category	953	N/A	953	786	N/A
vs. Morningstar Moderate Allocation Category**					
	(53 of 1,177)	5%	92%	92%	N/A
		(880 of 953)	(726 of 786)		N/A
vs. Lipper Mixed-Asset Target Alloc Moderate Funds Category***					
	(15 of 509)	3%	94%	93%	N/A
		(385 of 412)	(290 of 311)		N/A

*Source: ©2010 Morningstar Inc. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers. It may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Ratings are based on a risk-adjusted return measure that accounts for variation in a fund's monthly performance, placing more emphasis on the downward variations and rewarding consistent performance. With-load ratings include the effect of sales charges, loads and redemption fees. Load-waived ratings exclude sales charges, loads and redemption fees, and are only applicable to investors not subject to sales charges. The overall rating is derived from a weighted average of three-, five- and 10-year rating metrics, as applicable. Ratings are as of the most recent quarter end and are subject to change every month. A fund is eligible for a Morningstar rating three years after inception. The top 10% of funds in a category receive five stars, the next 22.5% four stars, the next 35% three stars, the next 22.5% two stars and the bottom 10% one star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) Ratings for other share classes may differ due to different performance characteristics. Past performance does not guarantee future results.

**Source: Morningstar Inc. Morningstar rankings are based on total return, excluding sales charges and including fees and expenses, versus all funds in the category tracked by Morningstar.

***Source: Lipper Inc. Lipper fund percentile rankings are based on total returns, excluding sales charges and including fees and expenses, and are versus all funds in the category tracked by Lipper.

Portfolio Characteristics: Fund vs. Custom Basic Balanced Index

Valuation Statistics	Fund vs. Index		Equity Sector Breakdown		% of Total Net Assets	
	Fund	Index	Market Sector	Fund	Index	
12-Month Forward P/E	14.46	14.67	Financials	19.14	24.10	
12-Month Trailing P/E	20.22	18.66	Information Technology	19.11	5.22	
Price/Book LTM (Wtd. Avg.)	3.00	3.29	Consumer Discretionary	13.37	9.85	
1-Year ROE (Wtd. Avg.)	7.60	13.35	Industrials	8.43	10.71	
12-Month Fwd. Growth Rate (Median) (%)	16.02	13.41	Health Care	6.08	9.14	
3-Year EPS Growth Rate (Wtd. Avg.) (%)	0.61	8.36	Energy	3.08	18.57	
5-Year Dividend Growth Rate (Wtd. Avg.) (%)	-4.90	4.17	Consumer Staples	2.05	5.50	
Weighted Average Market Cap (\$MM)	34,860	73,375	Materials	1.32	4.14	
Weighted Median Market Cap (\$MM)	14,851	34,123	Telecommunication Services	0.00	5.70	
3-Year Standard Deviation	20.40	13.49	Utilities	0.00	7.07	
Sources: Invesco, Compustat, Thomson Financial, StyleADVISOR			Capitalization Breakdown		% of Equities	
Statistics				Fund	Index	
Fund vs. Index	3 Years	5 Years	Giant	21.55	43.97	
Alpha (%)	-0.02	-1.79	Large	50.12	33.10	
Beta	1.42	1.39	Mid	28.33	21.32	
R-Squared	0.89	0.88	Small	0.00	1.60	
Tracking Error (%)	8.93	7.02	Micro	0.00	0.00	
Up Capture (%)	147.92	123.24	Based on Morningstar capitalization ranges			
Down Capture (%)	136.11	134.60	Asset Mix (%)			
Source: StyleADVISOR; based on Class A shares				at 12/31/09	at 12/31/08	
			Domestic Common Stock	64.55	55.32	
			Mortgage Backed	12.00	16.42	
			Domestic Corporate Bonds	10.36	19.54	
			International Common Stock	8.00	7.80	
			Cash	3.75	4.80	
			International Corporate Bonds	1.98	2.95	
			Domestic Government Bonds	1.41	0.48	
			Domestic Government Agency	0.38	0.38	
			International Government Bonds	0.10	0.00	
			Domestic Preferred Stock	0.00	2.54	
			Other	-2.53	-10.23	

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Consider the investment objectives, risks, and charges and expenses carefully. For this and other information about AIM funds, obtain a prospectus from your financial adviser and read it carefully before investing.

Note: Not all products, materials or services available at all firms. Advisers, please contact your home office.

AIM Basic Balanced Fund

Data as of Dec. 31, 2009

Performance summary

- The fund's class A shares at net asset value (NAV) outperformed the Custom Basic Balanced Index during the fourth quarter. (Please see the returns table on page 1 for fund and index performance.)
- Drivers of equity performance were stock specific. Selected financials, health care and information technology (IT) holdings were among the largest contributors to performance. Selected investments in financials and IT were also among the largest detractors from performance.
- Most of the fund's fixed-income holdings appreciated during the quarter and outperformed the Barclays Capital U.S. Aggregate Bond Index. The relative outperformance was mainly due to our overweight positions in investment-grade corporate bonds and structured securities. An underweight in U.S. government securities also aided relative performance as investor preference for credit risk dampened demand for U.S. government bonds.

Contributors to performance

- After declining in the third quarter, our investments in **Moody's Corp.** and **SLM Corp. (Sallie Mae)** (2.72% and 1.07% of total net assets, respectively) rebounded and were among the largest contributors to performance during the fourth quarter. We continue to believe the shares of both companies trade at a large enough discount to intrinsic value to compensate for uncertainties, which include pending legislation in the student loan market for **Sallie Mae** and regulatory scrutiny of credit ratings for **Moody's Corp.**
- Long-term holding **UnitedHealth Group Inc.** (3.18% of total net assets) posted double-digit gains during the quarter and was among the top contributors to fund results. While the outcome of health care reform legislation is uncertain and may weigh on the company in the short term, our long-term investment case for **UnitedHealth Group Inc.** remains unchanged.
- **ASML Holding NV** (3.93% of total net assets), the world's leading provider of lithography systems for the semiconductor industry, was the fund's largest holding at quarter end. Despite a difficult business environment, recent sales gains and improving cost trends have led to a solid return to profitability and an improved outlook for the company in 2010.

Detractors from performance

- Several of our investments within the financials sector declined during the quarter and were among the largest detractors from performance. The shares of **State Street Boston Corp.** (1.39% of total net assets) declined by 17% after the company reported lower-than-expected third quarter earnings and investors continued to be concerned about pending lawsuits. Top ten holding **Bank of America Corp.** (2.43% of total net assets) declined early in the fourth quarter amid uncertainties surrounding eventual TARP repayment and the search for a successor to CEO Ken Lewis. The fund took advantage of this short-term price weakness and added to its investment in **Bank of America Corp.** during the period.
- Mobile phone giant **Nokia** (1.83% of total net assets) was also among the largest detractors from fund results. The company's stock declined by 12% during the quarter as the global recession and increased competition continued to dampen the near term earnings outlook.

Top contributors and detractors

Contributors		Detractors	
	(%) of Total Assets		(%) of Total Assets
1. ASML Holding NV	3.93	1. State Street Boston Corp.	1.39
2. UnitedHealth Group Inc.	3.18	2. Bank of America Corp.	2.43
3. American Express Co.	2.36	3. UBS AG	1.11
4. Moody's Corp.	2.72	4. Dell Inc.	2.15
5. SLM Corp.	1.07	5. Nokia Corp.	1.83

Positioning and outlook

- The crisis environment that characterized 2008 and part of 2009 continued to abate in the fourth quarter. This process was favorable to the fund and shifted investor attention to the valuation opportunities created by the crisis and exploited by our investment process. We continue to believe the valuation opportunity captured by the fund remains very attractive despite record appreciation since the market low on March 9, 2009. But a self-sustaining economic recovery is a necessary precondition to further normalization of equity values.
- During the quarter, we initiated new positions in **Dun & Bradstreet Corp.**, **Staples Inc.** and **Weatherford International Ltd.** (1.01%, 1.50% and 1.36% of total net assets, respectively).
- Our valuation analysis suggests the recent market stress produced some of the most compelling valuation opportunities in history. As a consequence our turnover is higher than normal this year as we tried to exploit that opportunity.
- Valuation spreads have tightened from record-wide levels and consequently the difference between price and our estimate of portfolio value has also declined. However, despite the sharp increases in market prices, the fund's price-to-value ratio remains very attractive versus history, but substantially less than at recent market lows.
- Shareholders should not expect the magnitude of recent outperformance to be repeated in the next 12 months. While we think portfolio values remain compelling, the next phase of any market recovery could prove more muted.
- We believe the single most important indicator of the way the fund is positioned for potential future success is not our historical investment results or popular statistical measures, but rather the difference between current market prices and the fund's estimated intrinsic value - the aggregate business value of the portfolio based on our estimate of intrinsic value for each individual holding. At the close of the quarter, the difference between the market price and the estimated intrinsic value of the fund remained high versus history. While there is no assurance that market value will ever reflect our estimate of the fund's intrinsic value, we believe the large gap between price and estimated value may stack the odds in favor of above average capital appreciation once capital markets normalize.
- Markets have experienced a strong recovery during 2009. We would like to caution investors against making investment decisions based on short-term performance. As always, we recommend that you consult a financial advisor to discuss your individual financial program.

The Barclays Capital U.S. Aggregate Index is an unmanaged index considered representative of the U.S. investment-grade, fixed-rate bond market. An investment cannot be made directly in an index.

Opinions expressed are those of the fund's portfolio management.