

Invesco Quality Municipal Securities  
Form N-CSR  
May 09, 2011

OMB APPROVAL  
OMB  
Number: 3235-0570  
Expires: January 31,  
2014  
Estimated average  
burden hours per  
response: 20.6

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM N-CSR  
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT  
INVESTMENT COMPANIES  
Investment Company Act file number 811-07560  
Invesco Quality Municipal Securities**

(Exact name of registrant as specified in charter)  
1555 Peachtree Street, N.E., Atlanta, Georgia 30309

(Address of principal executive offices) (Zip code)  
Philip A. Taylor 1555 Peachtree Street, N.E., Atlanta, Georgia 30309

(Name and address of agent for service)

Registrant's telephone number, including area code: (713) 626-1919

Date of fiscal year end: 2/28

Date of reporting period: 2/28/11

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Item 1. Reports to Stockholders.

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**Annual Report to Shareholders**

**February 28, 2011**

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## Letters to Shareholders

Philip Taylor

Dear Shareholders:

Enclosed is important information about your Fund and its performance.

I've always believed that companies have an obligation to communicate regularly with their clients, and I believe that obligation is especially critical in the investment industry.

Our website [invesco.com/us](http://invesco.com/us) offers timely market updates and commentary from many of our portfolio managers and other investment professionals, as well as quarterly messages from me. At [invesco.com/us](http://invesco.com/us), you also can obtain information about your account at any hour of the day or night. I invite you to visit and explore the tools and information we offer.

### **Invesco's commitment to investment excellence**

As a strong organization with a single focus—investment management—Invesco today offers investment capabilities to meet the needs of virtually any investor.

Investment excellence is our goal. Let me explain what that means. All of our funds are managed by specialized teams of investment professionals. Each team has a discrete investment perspective and philosophy, and all follow disciplined, repeatable processes governed by strong risk oversight. Our investment-centric culture provides an environment that seeks to reduce distractions, allowing our fund managers to concentrate on what they do best—manage your money.

The importance of investment management expertise is obvious given the markets we've experienced over the last two to three years. We've seen that investment strategies can outperform or underperform their benchmark indexes for a variety of reasons, including where we are in the market cycle, and whether prevailing economic conditions are favorable or unfavorable for that strategy. That's why no investment strategy can guarantee top-tier performance at all times. What investors can expect, and what Invesco offers, are funds that are managed according to their stated investment objectives and strategies, with robust risk oversight using consistent, repeatable investment processes that don't change as short-term external conditions change—investments managed for the long term. This disciplined approach can't guarantee a profit; no investment can do that, since all involve some measure of risk. But it can ensure that your money is managed the way we said it would be.

This adherence to stated investment objectives and strategies allows your financial advisor to build a diversified portfolio that meets your individual risk tolerance and financial goals. It also means that when your goals change, your financial advisor will be able to find an appropriate investment option to meet your needs.

### **Invesco's commitment to you**

Invesco's commitment to you remains stronger than ever. It's one of the reasons we've grown to become one of the world's largest asset managers.

If you have questions about your account, please contact one of our client service representatives at 800 341 2929. If you have a general Invesco-related question or comment for me, I invite you to email me directly at [phil@invesco.com](mailto:phil@invesco.com).

I want to thank you for placing your trust in us. 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.

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Bruce Crockett

Dear Fellow Shareholders:

With 2010 behind us, now is a good time to review our portfolios and ensure that we are adhering to a long-term, diversified investment strategy, which I've mentioned in previous letters. The year was notable for a number of reasons, but I'm sure most of us are grateful for a return to more stable markets and growing signs that the worst of the economic crisis is behind us.

Your Board continued to oversee the Invesco Funds with a strong sense of responsibility for your savings and a deep appreciation for your continued trust. As always, we worked throughout 2010 to manage costs and ensure Invesco continued to place investor interests first.

I'm pleased to report that the latest report from Morningstar affirmed the work we've done and included a number of positive comments regarding your Board's oversight of the Invesco Funds.

As background, Morningstar is a leading independent provider of investment research in North America, Europe, Australia and Asia. Morningstar stated, "A fund board's duty is to represent the interests of fund shareholders, ensuring that the funds that it oversees charge reasonable fees and are run by capable advisors with a sound investment process."

Morningstar maintained your Fund Board's "A" grade for Board Quality, praising the Board for taking meaningful steps in recent years to act in fund shareholders' interests. These steps included becoming much more proactive and vocal in overseeing how Invesco votes the funds' shareholders' proxies and requiring each fund trustee to invest more than one year's board compensation in Invesco funds, further aligning our interests with those of our shareholders. Morningstar also cited the work I've done to make myself more available to fund shareholders via email.

I am also pleased that Morningstar recognized the effort and the Fund Board's efforts over the past several years to work together with management at Invesco to enhance performance and sharpen the focus on investors.

Let me close by wishing you a happy and prosperous new year. As always, you're welcome to contact me at [bruce@brucecrockett.com](mailto:bruce@brucecrockett.com) with any questions or concerns you have. We look forward to representing you and serving you in the new year.

Sincerely,

Bruce L. Crockett

Independent Chair

Invesco Funds Board of Trustees

1 Among the criteria Morningstar considers when evaluating a fund board are the degree to which the board is independent of the fund company; board members' financial interests are aligned with those of fund shareholders; the board acts in fund shareholders' interests; and the board works constructively with company management and investment personnel. Morningstar first awarded an "A" rating to the Invesco Funds board on September 13, 2007; that rating has been maintained in subsequent reports, the most recent of which was released December 17, 2010.

Ratings are subject to change, usually every 12 to 24 months. Morningstar ratings range from "A" to "F."

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## Management's Discussion of Trust Performance

### Performance summary

Please note that the fiscal year-end for Invesco Quality Municipal Securities has changed to February 28. Therefore, the period covered by this report is from October 31, 2010, the date of the last annual report, through February 28, 2011, the Trust's new fiscal year-end.

The Trust's return can be calculated based on either the market price or the net asset value (NAV) of its shares. NAV per share is determined by dividing the value of the Trust's portfolio securities, cash and other assets, less all liabilities and preferred shares, by the total number of common shares outstanding. Market price reflects the supply and demand for Trust shares. As a result, the two returns can differ, as they did during the reporting period. A main contributor to the Trust's return on an NAV basis was its exposure to state general obligation bonds.

### Performance

*Cumulative total returns, 10/31/10 to 2/28/11*

Trust at NAV	-6.78%
Trust at Market Value	-9.67
Market Price Discount to NAV as of 2/28/11	-6.50

*The performance data quoted represent past performance and cannot guarantee comparable future results; current performance may be lower or higher. Investment return, net asset value and common share market price will fluctuate so that you may have a gain or loss when you sell shares. Please visit [invesco.com/performance](http://invesco.com/performance) for the most recent month-end performance. Performance figures reflect Trust expenses, the reinvestment of distributions (if any) and changes in net asset value (NAV) for performance based on NAV and changes in market price for performance based on market price.*

*Since the Trust is a closed-end management investment company, shares of the Trust may trade at a discount or premium from the NAV. This characteristic is separate and distinct from the risk that NAV could decrease as a result of investment activities and may be a greater risk to investors expecting to sell their shares after a short time. The Trust cannot predict whether shares will trade at, above or below NAV. The Trust should not be viewed as a vehicle for trading purposes. It is designed primarily for risk-tolerant long-term investors.*

### How we invest

We seek to provide investors with current income exempt from federal income tax, primarily by investing in a diversified portfolio of investment grade tax-exempt municipal securities.

We seek to achieve the Trust's investment objective by investing primarily in municipal obligations that are rated investment grade by at least one nationally recognized statistical rating organization. Municipal obligations include municipal bonds, municipal notes and municipal commercial paper. The Trust may invest in taxable investment grade securities, or if not rated, securities we determine to be of comparable quality. From time to time, we may invest in municipal securities that pay interest that is subject to the federal alternative minimum tax.

We employ a bottom-up, research-driven approach to identify securities that have attractive risk/reward characteristics for the sectors in which we invest. We also integrate macroeconomic analysis and forecasting into our evaluation and ranking of various sectors and individual securities. Finally, we employ leverage in an effort to enhance the Trust's income and total return.

Sell decisions are based on:

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A deterioration or likely deterioration of an individual issuer's capacity to meet its debt obligations on a timely basis.

### Portfolio Composition

*By credit sector, based on total investments*

Revenue Bonds	78.4%
General Obligation Bonds	17.3
Pre-refunded Bonds	2.7
Other	1.6
Total Net Assets Applicable to Common Shares	\$182.1 million
Total Number of Holdings	173

### Top Five Fixed Income Holdings

1.	Fairfax (County of)	5.5
2.	Honolulu (City & County of)	4.6
3.	Illinois Metropolitan Pier & Exposition Authority	3.7
4.	Tobacco Settlement Financing Corp.	3.5
5.	Chicago (City of) O'Hare International Airport	3.2

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

n A deterioration or likely deterioration of the broader fundamentals of a particular industry or sector.

n Opportunities in the secondary or primary market to exchange into a security with better relative value.

### Market conditions and your Trust

In the U.S. and most of the developed world, a gradual and somewhat lackluster recovery continued, with central banks keeping interest rates at low levels and with few of them withdrawing their quantitative easing measures. This helped private sector companies improve their balance sheets and earnings following the global financial crisis that began to dissipate in early 2009. However, investor skepticism of global governments' abilities to retire huge amounts of debt without affecting economic growth rates caused sovereign debt distress (especially for eurozone countries) and became a focal point of investor concern.

In the U.S., economic recovery was present, although the pace was modest as stubbornly high unemployment and export weakness continued to weigh on the economy. Real gross domestic product (GDP), the broadest measure of overall U.S. economic activity, increased at an annual rate of 3.1% in the fourth quarter of 2010, a marked improvement from the 2.6% decrease in 2009.<sup>1</sup> The U.S. Federal Reserve (the Fed) maintained a very accommodative monetary policy throughout the period, with the federal funds target rate unchanged in a range of zero to 0.25%.<sup>2</sup> The Fed recently described its view of the U.S. economy by stating: The Committee will maintain the target range for the federal funds rate at 0 to 1/4 percent and continues to anticipate that economic conditions, including low rates of resource utilization, subdued inflation trends, and stable inflation expectations, are likely to warrant exceptionally low levels for the federal funds rate for an extended period.<sup>2</sup>

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During the four-month period covered by this report, municipal bond mutual funds experienced extensive net outflows. Market volatility was heightened across the municipal asset class as U.S. Treasury yields increased and the market was flooded with new issuance during the last two months of 2010 in anticipation of the Build America Bond (BAB) program ending. These factors contributed to rising investor fears regarding the health of municipal finances, leading to redemptions and lower municipal bond prices.

The Trust's exposure to the 12- to 20-year part of the yield curve and the long end (20+ years) of the yield curve detracted from returns as yields increased during most of the reporting period. Some of our yield curve and duration positioning was obtained through the use of inverse floating rate securities. Inverse floating rate securities are instruments which have an inverse relationship to a referenced interest rate. Inverse floating rate securities can be a more efficient way to manage duration, yield curve exposure and credit exposure and potentially can enhance yield.

Sector performance was driven by quality spread widening for most of the reporting period before tightening in February, largely due to increased volatility and higher tax-exempt issuance. As a result, BBB-rated and lower credit quality sectors underperformed and detracted from Trust performance as we held exposure to these market segments.

Our exposure to higher education bonds and state general obligation bonds contributed to returns for the reporting period.

Our allocation to local general obligation, health care and tobacco bonds detracted from performance during the reporting period.

The Trust employs leverage in an effort to enhance income and total return. Leverage simply magnifies the performance of the Trust, either up or down, and can be implemented in several ways. The Trust achieves a leveraged position by both borrowings and the use of financial instruments, which include auction rate preferred shares. During the reporting period, the use of leverage detracted from returns.

As stated earlier, the Trust trades at a market price and also has an NAV. For the four-month reporting period, the Trust traded at a discount to its NAV.

Thank you for investing in Invesco Quality Municipal Securities and for sharing our long-term investment horizon.

1 Bureau of Economic Analysis

2 U.S. Federal Reserve

*The views and opinions expressed in management's discussion of Trust 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 Trust. 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 Trust and, if applicable, index disclosures later in this report.

#### **Thomas Byron**

Portfolio manager, is manager of Invesco Quality Municipal Securities. Mr. Byron joined Invesco in 2010. He was associated with the Trust's previous investment adviser or its investment advisory affiliates in an investment management capacity from 1981 to 2010 and began managing the Trust in 2009. Mr. Byron earned a B.S. in finance from Marquette University and an M.B.A. in finance from DePaul University.

#### **Robert Stryker**

Chartered Financial Analyst, portfolio manager, is manager of Invesco Quality Municipal Securities. Mr. Stryker joined Invesco in 2010. He was associated with the Trust's previous investment adviser or its investment advisory affiliates in an investment management capacity from 1994 to 2010 and began managing the Trust in 2009. Mr. Stryker earned a B.S. in finance from the University of Illinois, Chicago.

#### **Robert Wimmel**

Portfolio manager, is manager of Invesco Quality Municipal Securities. Mr. Wimmel joined Invesco in 2010.

He was associated with the Trust's previous investment adviser or its investment advisory affiliates in an investment management capacity from 1996 to 2010 and began managing the Trust in 2009. Mr. Wimmel earned a B.A. in anthropology from the University of Cincinnati and an M.A. in economics from the University of Illinois, Chicago.

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**Invesco Quality Municipal Securities investment objective is to provide current income which is exempt from federal income tax.**

n Unless otherwise stated, information presented in this report is as of February 28, 2011, and is based on total net assets applicable to common shares.

n Unless otherwise noted, all data provided by Invesco.

n To access your Trust's reports, visit [invesco.com/fundreports](http://invesco.com/fundreports).

**Principal risks of investing in the Trust**

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

n Other risks are described and defined later in this report.

**Other information**

n The Chartered Financial Analyst® (CFA®) designation is globally recognized and attests to a charter-holder's success in a rigorous and comprehensive study program in the field of investment management and research analysis.

n The returns shown in management's discussion of Trust performance are based on net asset values calculated for shareholder transactions. Generally accepted accounting principles require adjustments to be made to the net assets of the Trust at period end for financial reporting purposes, and as such, the net asset values for shareholder transactions and the returns based on those net asset values may differ from the net asset values and returns reported in the Financial Highlights.

**NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE**

**NYSE Symbol**

**IQM**

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### **Dividend Reinvestment Plan**

The dividend reinvestment plan (the Plan) offers you a prompt and simple way to reinvest your dividends and capital gains distributions (Distributions) into additional shares of your Trust. Under the Plan, the money you earn from dividends and capital gains distributions will be reinvested automatically in more shares of your Trust, allowing you to potentially increase your investment over time.

#### **Plan benefits**

n **Add to your account**

You may increase the amount of shares in your Trust easily and automatically with the Plan.

n **Low transaction costs**

Transaction costs are low because the new shares are bought in blocks and the brokerage commission is shared among all participants.

n **Convenience**

You will receive a detailed account statement from Computershare Trust Company, N.A. (the Agent) which administers the Plan. The statement shows your total Distributions, date of investment, shares acquired, and price per share, as well as the total number of shares in your reinvestment account. You can also access your account via the Internet. To do this, please go to [invesco.com/us](http://invesco.com/us).

n **Safekeeping**

The Agent will hold the shares it has acquired for you in safekeeping.

### **How to participate in the Plan**

If you own shares in your own name, you can participate directly in the Plan. If your shares are held in street name in the name of your brokerage firm, bank, or other financial institution you must instruct that entity to participate on your behalf. If they are unable to participate on your behalf, you may request that they reregister your shares in your own name so that you may enroll in the Plan.

### **How to enroll**

To enroll in the Plan, please read the Terms and Conditions in the Plan brochure. You can enroll in the Plan by visiting [invesco.com/us](http://invesco.com/us), calling toll-free 800 341 2929 or notifying us in writing at Invesco Closed-End Funds, Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078. Please include your Trust name and account number and ensure that all shareholders listed on the account sign these written instructions. Your participation in the Plan will begin with the next Distribution payable after the Agent receives your authorization, as long as they receive it before the record date, which is generally 10 business days before such Distributions are paid. If your authorization arrives after such record date, your participation in the Plan will begin with the following Distributions.

### **How the Plan Works**

If you choose to participate in the Plan, whenever your Trust declares such Distributions, it will be invested in additional shares of your Trust that are purchased on the open market.

### **Costs of the Plan**

There is no direct charge to you for reinvesting Distributions because the Plan's fees are paid by your Trust. However, you will pay your portion of any per share fees incurred when the new shares are purchased on the open market. These fees are typically less than the standard brokerage charges for individual transactions, because shares are purchased for all Participants in blocks, resulting in lower commissions for each individual Participant. Any per share or service fees are averaged into the purchase price. Per share fees include any applicable brokerage commissions the Agent is required to pay.

### **Tax implications**

The automatic reinvestment of Distributions does not relieve you of any income tax that may be due on Distributions. You will receive tax information annually to help you prepare your federal income tax return.

*Invesco does not offer tax advice. The tax information contained herein is general and is not exhaustive by nature. It was not intended or written to be used, and it cannot be used, by any taxpayer for avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws. Federal and state tax laws are complex and constantly changing. Shareholders should always consult a legal or tax adviser for information concerning their individual situation.*

### **How to withdraw from the Plan**

You may withdraw from the Plan at any time by calling 800 341 2929, visiting [invesco.com/us](http://invesco.com/us) or by writing to Invesco Closed-End Funds, Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078. Simply indicate that you would like to withdraw from the Plan, and be sure to include your Trust name and account number. Also, ensure that all shareholders listed on the account have signed these written instructions. If you withdraw, you have three options with regard to the shares held in the Plan:

1. If you opt to continue to hold your non-certificated shares, whole shares will be held by the Agent and fractional shares will be sold. The proceeds will be sent via check to your address of record after deducting per share fees. Per share fees include any applicable brokerage commissions the Agent is required to pay.
2. If you opt to sell your shares through the Agent, we will sell all full and fractional shares and send the proceeds via check to your address of record after deducting per share fees. Per share fees include any applicable brokerage commissions the Agent is required to pay.
3. You may sell your shares through your financial adviser through the Direct Registration System (DRS). DRS is a service within the securities industry that allows Trust shares to be held in your name in electronic format. You retain full ownership of your shares, without having to hold a stock certificate. You should contact your financial adviser to learn more about any restrictions or fees that may apply.

**To obtain a complete copy of the Dividend Reinvestment Plan, please call our Client Services department at 800 341 2929 or visit [invesco.com/us](http://invesco.com/us).**

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**Schedule of Investments**

February 28, 2011

	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Amount (000)</b>	<b>Value</b>
<b>Municipal Obligations 150.12%</b>				
Alabama 0.30%				
Birmingham (City of) Airport Authority; Series 2010, Airport RB (INS AGM <sup>9</sup> )	5.25%	07/01/30	\$ 550	\$ 555,830
Alaska 0.75%				
Northern Tobacco Securitization Corp.; Series 2006 A, Tobacco Settlement Asset-Backed RB	5.00%	06/01/46	2,300	1,360,519
Arizona 3.45%				
Arizona (State of); Series 2008 A, COP (INS AGM <sup>9</sup> )	5.00%	09/01/24	1,010	1,023,877
Maricopa (County of) Pollution Control Corp. (Arizona Public Service Co. Palo Verde); Series 2009 A, Ref. PCR <sup>(b)(c)</sup>	6.00%	05/01/14	425	446,871
Pima (County of) Industrial Development Authority (Tucson Electric Power Co.); Series 2010 A, IDR	5.25%	10/01/40	675	605,684
Salt River Project Agricultural Improvement & Power District; Series 2002 B, Electric System RB <sup>(b)(d)(e)</sup>	5.00%	01/01/13	3,890	4,199,605
				6,276,037
California 23.05%				
Alhambra Unified School District (Election of 2004); Series 2009 B, Unlimited Tax CAB GO Bonds (INS AGC <sup>(3)</sup> ) <sup>(f)</sup>	0.00%	08/01/35	1,010	191,860

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Series 2009 B, Unlimited Tax CAB GO Bonds (INS AGC <sup>(f)</sup> )	0.00%	08/01/36	1,635	288,888
Alvord Unified School District (Election of 2007); Series 2008 A, Unlimited Tax GO Bonds (INS AGM <sup>(f)</sup> )	5.00%	08/01/24	765	774,287
Beverly Hills Unified School District (Election of 2008); Series 2009, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/26	710	289,559
Series 2009, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/31	1,370	384,395
California (State of) Health Facilities Financing Authority (Cedars-Sinai Medical Center); Series 2005, Ref. RB	5.00%	11/15/34	545	489,802
California (State of) Public Works Board (Department of Mental Health Coalinga State Hospital); Series 2004 A, Lease RB	5.00%	06/01/24	5,000	4,787,750
California (State of); Series 2003, Unlimited Tax GO Bonds	5.00%	02/01/32	3,000	2,863,170
Series 2005, Various Purpose Unlimited Tax GO Bonds	5.00%	03/01/27	1,800	1,807,506
Clovis Unified School District (Election of 2004); Series 2004 A, Unlimited Tax GO Bonds (INS NATL <sup>(g)(f)</sup> )	0.00%	08/01/29	355	108,268
Dry Creek Joint Elementary School District (Election of 2008); Series 2009 E, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/43	2,690	281,831
Series 2009 E, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/44	4,825	468,508
El Segundo Unified School District (Election of 2008); Series 2009 A, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/32	1,980	463,360
Golden State Tobacco Securitization Corp.; Series 2005 A, Enhanced Tobacco Settlement Asset-Backed RB (INS AMBAC <sup>(g)</sup> )	5.00%	06/01/29	2,000	1,783,820
Series 2007 A-1, Sr. Tobacco Settlement Asset-Backed RB	5.13%	06/01/47	2,000	1,199,900
Series 2007 A-1, Sr. Tobacco Settlement Asset-Backed RB	5.75%	06/01/47	1,400	934,864
Indio (City of) Redevelopment Agency (Indio Merged Redevelopment); Series 2008 A, Sub. Tax Allocation RB	5.00%	08/15/23	310	290,606
Series 2008 A, Sub. Tax Allocation RB	5.00%	08/15/24	310	284,859
Los Angeles (City of) Department of Water & Power; Series 2004 C, Water System RB (INS NATL <sup>(g)(d)</sup> )	5.00%	07/01/25	5,000	5,175,600

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Los Angeles Community College District; Series 2003 B, Unlimited Tax GO Bonds (INS AGM <sup>(g)</sup> )	5.00%	08/01/27	4,000	4,018,400
Menifee Union School District (Election of 2008); Series 2009 C, Unlimited Tax CAB GO Bonds (INS AGC <sup>(g)</sup> ) <sup>(f)</sup>	0.00%	08/01/34	1,010	210,403
Milpitas (City of) Redevelopment Agency; Series 2003, Tax Allocation RB (INS NATL <sup>(g)</sup> )	5.00%	09/01/22	3,040	2,912,898
Moreland School District (Crossover); Series 2014 C, Ref. Unlimited Tax CAB GO Bonds (INS AMBAC <sup>(g)</sup> ) <sup>(f)</sup>	0.00%	08/01/29	1,120	324,598
Oak Grove School District (Election of 2008); Series 2009 A, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/28	815	257,181

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

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	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Amount (000)</b>	<b>Value</b>
California (continued)				
Patterson Joint Unified School District (Election of 2008); Series 2009 B, Unlimited Tax CAB GO Bonds (INS AGM <sup>(f)</sup> )	0.00%	08/01/36	\$ 4,025	\$ 708,561
Series 2009 B, Unlimited Tax CAB GO Bonds (INS AGM <sup>(f)</sup> )	0.00%	08/01/37	1,590	258,105
Poway Unified School District (Election of 2008 School Facilities Improvement District No. 2007-1); Series 2009 A, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/27	2,040	697,700
Series 2009 A, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/31	2,545	640,500
San Diego (County of) (Burnham Institute for Medical Research); Series 2006, COP	5.00%	09/01/34	1,000	770,020
San Diego (County of) Water Authority; Series 2004 A, Water Revenue COP (INS AGM <sup>(d)</sup> )	5.00%	05/01/29	4,240	4,250,006
San Francisco (City & County of) (Laguna Honda Hospital); Series 2008 R-3, Ref. Unlimited Tax GO Bonds (INS AGC <sup>(d)</sup> )	5.00%	06/15/28	540	542,549
Southern California Tobacco Securitization Authority (San Diego County Tobacco Asset Securitization Corp.); Series 2006 A-1, Sr. Tobacco Settlement Asset-Backed RB	5.00%	06/01/37	2,000	1,304,640
Twin Rivers Unified School District; Series 2009, Unlimited Tax CAB GO BAN <sup>(f)</sup>	0.00%	04/01/14	850	772,064
William S. Hart Union High School District (Election of 2008); Series 2009 A, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/32	1,170	257,049
Series 2009 A, Unlimited Tax CAB GO Bonds <sup>(f)</sup>	0.00%	08/01/33	5,725	1,171,908
				41,965,415

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Colorado 2.35%

Arkansas River Power Authority; Series 2006, Power Improvement RB (INS SGI <sup>3</sup> )	5.25%	10/01/40	1,840	1,497,319
Colorado (State of) Health Facilities Authority (Catholic Health Initiatives); Series 2009 A, RB	5.00%	07/01/39	2,000	1,822,440
Public Authority for Colorado Energy; Series 2008, Natural Gas Purchase RB	6.25%	11/15/28	165	170,009
Regional Transportation District (Denver Transit Partners Eagle P-3); Series 2010, Private Activity RB	6.00%	01/15/41	850	784,788
				4,274,556

District of Columbia 2.47%

District of Columbia; Series 2006 B-1, Ballpark RB (INS NATL <sup>3</sup> )	5.00%	02/01/31	2,000	1,824,460
Series 2009 A, Sec. Income Tax RB <sup>(d)</sup>	5.25%	12/01/27	1,540	1,659,134
Metropolitan Washington Airports Authority; Series 2009 B, RB (INS BHAC <sup>3</sup> )	5.00%	10/01/29	1,000	1,007,600
				4,491,194

Florida 10.03%

Highlands (County of) Health Facilities Authority (Adventist Health); Series 2006 C, RB <sup>(b)(e)</sup>	5.25%	11/15/16	25	29,566
Series 2006 C, RB <sup>(b)(c)</sup>	5.25%	11/15/16	975	914,833
Miami-Dade (County of) (Miami International Airport-Hub of the Americas); Series 2009 B, Aviation RB (INS AGC <sup>3</sup> )	5.00%	10/01/25	800	819,616
Miami-Dade (County of) Expressway Authority; Series 2010 A, Ref. Toll System RB	5.00%	07/01/40	1,000	909,970
Miami-Dade (County of) Health Facilities Authority (Miami Children's Hospital); Series 2010 A, Ref. Hospital RB	6.00%	08/01/30	310	310,645
	6.00%	10/01/24	5,000	5,054,800

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Miami-Dade (County of) Miami International Airport;  
Series 2000 A, Aviation RB (INS NATL<sup>(a)</sup>(g))

Miami-Dade (County of); Series 2005 A, Sub. Special  
Obligation CAB RB (INS NATL<sup>(a)</sup>(f)(h))

0.00% 10/01/30 1,995 1,574,733

Palm Beach (County of) Solid Waste Authority;  
Series 2009, Improvement RB (INS BHAC<sup>(g)</sup>)

5.50% 10/01/23 750 809,857

South Miami (City of) Health Facilities Authority (Baptist  
Health South Florida Obligated Group); Series 2007,  
Hospital RB<sup>(d)</sup>

5.00% 08/15/42 4,000 3,523,800

St. Johns (County of) Industrial Development Authority  
(Glenmoor);  
Series 2006 A, Health Care RB

5.25% 01/01/26 1,000 808,560

Series 2006 A, Health Care RB

5.38% 01/01/40 3,250 2,348,970

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

**9 Invesco Quality Municipal Securities**

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	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Amount (000)</b>	<b>Value</b>
Florida (continued)				
Tampa Bay Water; Series 2001 A, Ref. Utility System Improvement RB (INS NATL <sup>(3)</sup> )	6.00%	10/01/29	\$ 1,000	\$ 1,153,840
				18,259,190
Georgia 6.33%				
Atlanta (City of); Series 2004 C, Airport Passenger Facility Charge & Sub. Lien General RB (INS AGM <sup>(3)</sup> ) <sup>(d)</sup>	5.00%	01/01/33	5,000	4,927,800
DeKalb (County of); Series 2003 A, Water & Sewerage RB	5.00%	10/01/23	1,200	1,261,584
Georgia (State of) Road & Tollway Authority; Series 2003, Gtd. RB	5.00%	10/01/23	3,000	3,199,860
Series 2003, RB <sup>(b)(e)</sup>	5.00%	10/01/13	2,000	2,130,640
				11,519,884
Hawaii 8.01%				
Hawaii (State of) Department of Budget & Finance (Hawai i Pacific Health Obligated Group); Series 2010 B, Special Purpose RB	5.75%	07/01/40	430	397,423
Hawaii (State of) Department of Budget & Finance (Hawaiian Electric Co. & Subsidiaries); Series 1993, Special Purpose RB (INS NATL <sup>(3)</sup> ) <sup>(g)</sup>	5.45%	11/01/23	5,000	4,740,850
Hawaii (State of); Series 2010 A, Airports System RB	5.00%	07/01/39	1,075	1,004,029
Honolulu (City & County of); Series 2003 A, Unlimited Tax GO Bonds (INS NATL <sup>(3)</sup> )	5.25%	03/01/24	8,000	8,450,880
				14,593,182

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Idaho 0.24%

Regents of the University of Idaho (The); Series 2011, Ref. General RB <sup>(b)(c)</sup>	5.25%	04/01/21	400	433,560
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Illinois 17.10%

Chicago (City of) O Hare International Airport; Series 2001 A, Second Lien Passenger Facility Charge RB (INS AMBAC <sup>(g)</sup> )	5.38%	01/01/32	3,000	2,766,660
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Series 2005 A, Third Lien General Airport RB (INS NATL <sup>(g)</sup> )	5.25%	01/01/26	3,000	3,024,000
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Chicago (City of) Park District; Series 2004 A, Limited Tax GO Bonds (INS AMBAC <sup>(g)</sup> )	5.00%	01/01/27	3,600	3,617,892
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Chicago (City of) Transit Authority (Federal Transit Administration Section 5309); Series 2008, Capital Grant Receipts RB (INS AGC <sup>(g)</sup> )	5.25%	06/01/23	1,070	1,071,830
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Chicago (City of); Series 2007 A, Ref. Project Unlimited Tax GO Bonds (INS AGM <sup>(g)(d)(i)</sup> )	5.00%	01/01/37	4,590	4,048,059
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DeKalb County of Community Unit School District No. 428; Series 2008, Unlimited Tax GO Bonds (INS AGM <sup>(g)</sup> )	5.00%	01/01/23	725	758,481
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Granite City (City of) (Waste Management, Inc.); Series 2002, Disposal RB <sup>(b)(c)(g)</sup>	3.50%	05/01/13	1,250	1,247,487
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Illinois (State of) Finance Authority (Little Co. of Mary Hospital & Health Care Centers); Series 2010, RB	5.38%	08/15/40	775	675,769
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Illinois (State of) Finance Authority (Northwestern Memorial Hospital); Series 2009 B, RB	5.38%	08/15/24	965	1,013,472
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Illinois (State of) Finance Authority (Resurrection Health Care Corp.); Series 2009, Ref. RB	6.13%	05/15/25	925	919,524
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Illinois (State of) Finance Authority (Rush University Medical Center Obligated Group); Series 2009 A, RB	7.25%	11/01/38	415	441,763
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Illinois (State of) Finance Authority (Swedish Covenant Hospital); Series 2010 A, Ref. RB	5.75%	08/15/29	1,325	1,274,001
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Series 2010 A, Ref. RB	6.00%	08/15/38	690	655,348
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Illinois (State of) Metropolitan Pier & Exposition Authority (McCormick Place Expansion); Series 2002 A, CAB RB (INS NATL <sup>(g)</sup> (f)(h))	0.00%	06/15/26	8,480	6,027,414
Series 2010 A, Dedicated State Tax RB	5.50%	06/15/50	800	735,856
Kendall, Kane & Will Counties Community Unit School District No. 308; Series 2008, Unlimited Tax CAB GO Bonds (INS AGM <sup>(g)</sup> (f))	0.00%	02/01/20	2,780	1,776,476
Railsplitter Tobacco Settlement Authority; Series 2010, RB	5.50%	06/01/23	1,125	1,078,436
				31,132,468

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

**10 Invesco Quality Municipal Securities**

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	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Amount (000)</b>	<b>Value</b>
Indiana 1.02%				
Indiana (State of) Financing Authority (Clarian Health Obligated Group); Series 2006 A, Hospital RB	5.25%	02/15/40	\$ 1,460	\$ 1,269,149
Rockport (City of) (Indiana Michigan Power Co.); Series 2009 B, Ref. PCR <sup>(b)(c)</sup>	6.25%	06/02/14	530	583,503
				1,852,652
Iowa 1.38%				
Iowa (State of); Series 2009 A, IJOBS Program Special Obligation RB <sup>(d)(i)</sup>	5.00%	06/01/25	1,355	1,445,189
Series 2009 A, IJOBS Program Special Obligation RB <sup>(d)(i)</sup>	5.00%	06/01/26	1,015	1,072,916
				2,518,105
Kansas 0.26%				
Kansas (State of) Development Finance Authority (Adventist Health System/Sunbelt Obligated Group); Series 2009 C, Hospital RB	5.50%	11/15/29	470	478,422
Kentucky 0.26%				
Kentucky (State of) Economic Development Finance Authority (Owensboro Medical Health System, Inc.); Series 2010 A, Hospital Facilities RB	6.50%	03/01/45	500	477,665
Louisiana 0.56%				
Lafayette (City of) Public Trust Financing Authority (Ragin Cajun Facilities-Housing & Parking); Series 2010, RB (INS AGM <sup>3</sup> )	5.25%	10/01/30	650	653,127
St. John the Baptist (Parish of) (Marathon Oil Corp.); Series 2007 A, RB	5.13%	06/01/37	400	369,860

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				1,022,987
Maryland 0.86%				
Baltimore (County of) (Oak Crest Village Inc. Facility); Series 2007 A, RB	5.00%	01/01/37	705	602,282
Maryland (State of) Economic Development Corp. (Terminal); Series 2010 B, RB	5.75%	06/01/35	690	623,139
Maryland (State of) Health & Higher Educational Facilities Authority (King Farm Presbyterian Retirement Community); Series 2007 B, RB	5.00%	01/01/17	355	335,688
				1,561,109
Massachusetts 4.08%				
Massachusetts (State of) Health & Educational Facilities Authority (Berklee College of Music); Series 2007 A, RB	5.00%	10/01/32	625	610,450
Massachusetts (State of) Health & Educational Facilities Authority (Harvard University); Series 2009 A, RB <sup>(d)</sup>	5.50%	11/15/36	4,850	5,161,176
Massachusetts (State of) Health & Educational Facilities Authority (Massachusetts Institute of Technology); Series 2008 O, RB <sup>(d)</sup>	5.50%	07/01/36	1,570	1,664,624
				7,436,250
Michigan 0.48%				
Detroit (City of); Series 2006 C, Ref. Second Lien Water Supply System RB (INS AGM <sup>9</sup> )	5.00%	07/01/26	900	870,912
Montana 0.54%				
Forsyth (City of) (Portland General Electric Co.); Series 1998 A, Ref. PCR	5.00%	05/01/33	1,000	975,070
Nebraska 2.06%				
Nebraska (State of) Public Power District; Series 2003 A, RB (INS AMBAC <sup>9</sup> )	5.00%	01/01/35	3,740	3,743,852



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Nevada 1.94%

Clark (County of); Series 2004 A-1, Sub. Lien Airport RB (INS NATL)(g)	5.50%	07/01/20	3,000	3,083,490
Las Vegas (City of) Redevelopment Agency; Series 2009 A, Tax Increment Allocation RB	6.25%	06/15/16	410	455,059
				3,538,549

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

**11 Invesco Quality Municipal Securities**

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	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Amount (000)</b>	<b>Value</b>
New Hampshire 0.82%				
Manchester (City of); Series 2003, Water RB (INS NATL <sup>(3)</sup> )	5.00%	12/01/34	\$ 1,500	\$ 1,500,075
New Jersey 2.15%				
New Jersey (State of) Economic Development Authority (Montclair State University Student Housing); Series 2010, RB	5.75%	06/01/31	525	494,440
New Jersey (State of) Transportation Trust Fund Authority; Series 2006 C, Transportation System RB (INS AGC <sup>(3)</sup> ) <sup>(f)</sup>	0.00%	12/15/26	4,300	1,654,081
Tobacco Settlement Financing Corp.; Series 2007 1-A, Asset-Backed RB	4.63%	06/01/26	2,305	1,640,537
Tobacco Settlement Financing Corp.; Series 2007 1B, First Sub. Asset-Backed CAB RB <sup>(f)</sup>	0.00%	06/01/41	3,000	128,970
				3,918,028
New Mexico 0.91%				
Farmington (City of) (Public Service Co. of New Mexico San Juan); Series 2010 C, Ref. PCR	5.90%	06/01/40	700	665,847
New Mexico Finance Authority (Public Project Revolving Fund); Series 2008 A, Sr. Lien RB	5.00%	06/01/27	940	986,267
				1,652,114
New York 13.78%				
Brooklyn (City of) Arena Local Development Corp. (Barclays Center); Series 2009, PILOT RB	6.25%	07/15/40	460	450,275
Series 2009, PILOT RB	6.38%	07/15/43	190	188,670

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Metropolitan Transportation Authority; Series 2003 B, RB (INS NATL <sup>(g)</sup> )	5.25%	11/15/22	5,000	5,230,850
New York (City of) Trust for Cultural Resources (Museum of Modern Art); Series 2008 1A, Ref. RB <sup>(d)</sup>	5.00%	04/01/28	1,950	2,016,476
New York (State of) Dormitory Authority (The City of New York); Series 2005 A, Court Facilities Lease RB (INS AMBAC <sup>(g)</sup> )	5.50%	05/15/29	705	733,024
New York (State of) Thruway Authority; Series 2009 A, State Personal Income Tax Transportation RB	5.00%	03/15/25	1,310	1,394,246
New York City (City of) Transitional Finance Authority; Series 2009 A, Sec. Future Tax Sub. RB <sup>(d)</sup>	5.00%	05/01/28	1,305	1,351,393
Series 2009 A, Sec. Future Tax Sub. RB <sup>(d)</sup>	5.00%	05/01/29	1,045	1,081,429
Series 2009 A, Sec. Future Tax Sub. RB <sup>(d)</sup>	5.00%	05/01/30	1,045	1,073,508
New York City (City of); Series 2008 A-1, Unlimited Tax GO Bonds <sup>(d)</sup>	5.25%	08/15/28	980	1,018,896
Series 2008 A-1, Unlimited Tax GO Bonds <sup>(d)</sup>	5.25%	08/15/27	980	1,020,778
1993 E-5, Sub. VRD Unlimited Tax GO Bonds (LOC JPMorgan Chase Bank, N.A. <sup>(j)(k)</sup> )	0.17%	08/01/17	1,000	1,000,000
Tobacco Settlement Financing Corp.(State Contingency Contract); Series 2003 B-1C, Asset-Backed RB	5.50%	06/01/21	6,000	6,410,880
Triborough Bridge & Tunnel Authority; Series 2002 B, Ref. General RB	5.25%	11/15/19	2,000	2,121,480
				25,091,905
Ohio 4.11%				
American Municipal Power-Ohio Inc. (Prairie State Energy Campus); Series 2008 A, RB (INS AGC <sup>(g)(d)</sup> )	5.25%	02/15/33	1,000	1,008,100
Cuyahoga (County of) (Cleveland Clinic Health System Obligated Group); Series 2003 A, Ref. RB	6.00%	01/01/32	5,000	5,038,400
Ohio (State of) Higher Educational Facility Commission (Summa Health System); Series 2010, Hospital Facilities RB	5.75%	11/15/40	1,275	1,143,598
	5.88%	06/01/16	265	285,445

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Ohio (State of) Water Development Authority  
(FirstEnergy Nuclear Generation Corp.); Series 2009 A,  
Ref. PCR<sup>(b)(c)</sup>

7,475,543

Oregon 0.36%

Warm Springs Reservation Confederated Tribes of  
Oregon (Pelton Round Butte); Series 2009 B,  
Hydroelectric Tribal Economic Development RB<sup>(1)</sup>

6.38%

11/01/33

660

656,014

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

**12 Invesco Quality Municipal Securities**

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	Interest Rate	Maturity Date	Principal Amount (000)	Value
Pennsylvania 3.29%				
Chester (County of) Industrial Development Authority (Archdiocese of Philadelphia); Series 2001, VRD RB (LOC Wells Fargo Bank, N.A.) <sup>(j)(k)</sup>	0.21%	07/01/31	\$ 2,000	\$ 2,000,000
Pennsylvania (State of) Turnpike Commission; Series 2010 B2, Conv. Sub. CAB RB <sup>(f)(h)</sup>	0.00%	12/01/28	750	577,020
Series 2010 B2, Conv. Sub. CAB RB <sup>(f)(h)</sup>	0.00%	12/01/34	450	342,837
Philadelphia School District; Series 2008 E, Limited Tax GO Bonds (INS BHAC) <sup>(g)</sup>	5.13%	09/01/23	1,500	1,573,785
The Hospitals & Higher Education Facilities Authority (Children's Hospital of Philadelphia); Series 2002 B, VRD RB <sup>(k)</sup>	0.18%	07/01/25	1,500	1,500,000
				5,993,642
Puerto Rico 2.64%				
Puerto Rico Electric Power Authority; Series 2010 CCC, Power RB	5.25%	07/01/27	1,000	964,840
Series 2010 XX, Power RB	5.25%	07/01/40	750	654,173
Puerto Rico Sales Tax Financing Corp.; First Sub. Series 2009 A, Sales Tax RB <sup>(b)(e)</sup>	5.00%	08/01/11	875	892,342
First Sub. Series 2010 A, Sales Tax RB	5.38%	08/01/39	450	416,439
First Sub. Series 2010 C, Sales Tax RB	5.25%	08/01/41	1,300	1,176,058
First Sub Series 2010 A, Sales Tax RB	5.50%	08/01/42	750	704,242
				4,808,094
Rhode Island 0.83%				
	5.00%	07/01/21	1,500	1,520,610

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Rhode Island Economic Development Corp.;  
Series 2004 A, Ref. Airport RB (INS AGM<sup>(g)</sup>)

South Carolina 6.17%

Charleston Educational Excellence Finance Corp. (Charleston County School District); Series 2005, RB	5.25%	12/01/29	2,000	2,025,840
Grand Strand Water & Sewer Authority; Series 2002, Ref. Waterworks & Sewer System RB (INS AGM <sup>(g)</sup> )	5.38%	06/01/19	4,565	4,775,721
Lexington County Health Services District, Inc.; Series 2007, Ref. Hospital RB	5.00%	11/01/16	40	42,756
Richland (County of) (International Paper Co.); Series 2007 A, Ref. Environmental Improvement RB	4.60%	09/01/12	210	214,498
South Carolina (State of) Public Service Authority; Series 2003 A, Ref. RB (INS AMBAC <sup>(a)(d)</sup> )	5.00%	01/01/22	4,000	4,179,640
				11,238,455

Texas 15.41%

Alliance Airport Authority, Inc. (Federal Express Corp.); Series 2006, Ref. Special Facilities RB <sup>(g)</sup>	4.85%	04/01/21	2,000	1,992,660
Arlington (City of); Series 2009, Special Tax RB	5.00%	08/15/28	1,500	1,486,185
Austin (City of); Series 2001, Ref. Water & Wastewater System RB (INS AGM <sup>(g)</sup> )	5.13%	05/15/27	1,475	1,476,918
Bexar County Health Facilities Development Corp. (Army Retirement Residence); Series 2010, RB	6.20%	07/01/45	590	567,297
Friendswood Independent School District; Series 2008, Schoolhouse Unlimited Tax GO Bonds (CEP Texas Permanent School Fund)	5.00%	02/15/25	575	611,794
Harris (County of); Series 2007 C, Ref. Sub. Lien Toll Road Unlimited Tax GO Bonds (INS AGM <sup>(g)</sup> )	5.25%	08/15/31	1,530	1,657,740
Harris County Industrial Development Corp. (Deer Park Refining Limited Partnership); Series 2006, Solid Waste Disposal RB	5.00%	02/01/23	350	351,946
Houston (City of) Convention & Entertainment Facilities Department; Series 2001 B, Hotel Occupancy Tax & Special RB (INS AGM <sup>(f)</sup> )	0.00%	09/01/25	2,350	1,043,752

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Houston (City of); Series 2004 A, Ref. First Lien Combined Utility System RB (INS NATL <sup>(9)</sup> )	5.25%	05/15/25	5,000	5,250,000
Lower Colorado River Authority; Series 2010 A, Ref. RB	5.00%	05/15/40	450	418,671
North Texas Tollway Authority; Series 2008 D, Ref. First Tier System CAB RB (INS AGC <sup>(9)</sup> ) <sup>(f)</sup>	0.00%	01/01/28	5,200	1,829,412
Series 2008 D, Ref. First Tier System CAB RB (INS AGC <sup>(9)</sup> ) <sup>(f)</sup>	0.00%	01/01/31	1,065	303,962

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

**13 Invesco Quality Municipal Securities**

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	Interest Rate	Maturity Date	Principal Amount (000)	Value
Texas (continued)				
Tarrant County Cultural Education Facilities Finance Corp. (Air Force Village Obligated Group); Series 2007, Retirement Facility RB	5.13%	05/15/37	\$ 425	\$ 344,140
Tarrant Regional Water District; Series 2002, Ref. & Improvement RB (INS AGM <sup>3</sup> )	5.25%	03/01/17	4,000	4,305,000
Texas A&M University System Board of Regents; Series 2009 A, Financing System RB	5.00%	05/15/26	1,665	1,777,487
Texas Private Activity Bond Surface Transportation Corp. (North Transit Express Mobility); Series 2009, Sr. Lien RB	6.88%	12/31/39	510	516,360
University of Houston System Board of Regents; Series 2008, Ref. Consolidated RB (INS AGM <sup>3</sup> )(d)	5.00%	02/15/33	1,000	1,009,640
West Harris County Regional Water Authority; Series 2005, Water System RB (INS AGM <sup>3</sup> )	5.00%	12/15/24	3,000	3,115,260
				28,058,224
Utah 0.87%				
Intermountain Power Agency; Series 2003 A, Ref. Power Supply RB (INS AGM <sup>3</sup> )	5.00%	07/01/21	1,500	1,582,770
Virgin Islands 0.34%				
Virgin Islands Public Finance Authority (Matching Fund Loan Note); Series 2010 A, Sr. Lien Working Capital RB	5.00%	10/01/25	625	616,818
Virginia 6.64%				
Fairfax (County of) Industrial Development Authority (INOVA Health System); Series 1993, Ref. RB	5.25%	08/15/19	9,000	9,946,440



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Prince William (County of) Service Authority; Series 2003, Ref. Water & Sewer System RB	5.00%	07/01/21	2,000	2,147,460
				12,093,900
Washington 3.69%				
Grant (County of) Public Utility District No. 2; Series 2005 A, Ref. Wanapum Hydro Electric RB (INS NATL <sup>(g)</sup> )	5.00%	01/01/34	1,705	1,640,858
Washington (State of); Series 2010 A, Various Purpose Unlimited Tax GO Bonds <sup>(d)</sup>	5.00%	08/01/29	2,380	2,487,218
Series 2010 A, Various Purpose Unlimited Tax GO Bonds <sup>(d)</sup>	5.00%	08/01/30	2,500	2,584,100
				6,712,176
Wisconsin 0.59%				
Wisconsin (State of); Series 2009 A, General Fund Annual Appropriation RB	5.63%	05/01/28	1,000	1,070,870
TOTAL INVESTMENTS <sup>(m)</sup> 150.12% (Cost \$278,997,931)				273,326,646
FLOATING RATE NOTE OBLIGATIONS (21.85)%				
Notes with interest rates ranging from 0.26% to 0.39% at 02/28/11 and contractual maturities of collateral ranging from 01/01/22 to 08/15/42 (See Note 1I) <sup>(n)</sup>				(39,789,640)
PREFERRED SHARES (30.21)%				(55,000,000)
OTHER ASSETS LESS LIABILITIES 1.94%				3,537,053
NET ASSETS APPLICABLE TO COMMON SHARES 100.00%				\$ 182,074,059

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

Investment Abbreviations:

AGC	Assured Guaranty Corp.
AGM	Assured Guaranty Municipal Corp.
AMBAC	American Municipal Bond Assurance Corp*
BAN	Bond Anticipation Notes
BHAC	Berkshire Hathaway Assurance Corp.
CAB	Capital Appreciation Bond
CEP	Credit Enhancement Provider
Conv.	Convertible
COP	Certificates of Participation
GO	General Obligation
Gtd.	Guaranteed
IDR	Industrial Development Revenue Bonds
INS	Insurer
LOC	Letter of Credit
NATL	National Public Finance Guarantee Corp.
PCR	Pollution Control Revenue Bonds
PILOT	Payment-in-Lieu-of-Tax
RB	Revenue Bonds
Ref	Refunding
Sec.	Secured
SGI	Syncora Guarantee, Inc.
Sr.	Senior
Sub.	Subordinated
VRD	Variable Rate Demand

Notes to Schedule of Investments:

- (a) Principal and/or interest payments are secured by the bond insurance company listed.
- (b) Security has an irrevocable call by the issuer or mandatory put by the holder. Maturity date reflects such call or put.
- (c) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on February 28, 2011.
- (d) Underlying security related to Dealer Trusts entered into by the Trust. See Note 1I.
- (e) Advance refunded; secured by an escrow fund of U.S. Government obligations or other highly rated collateral.
- (f) Zero coupon bond issued at a discount.
- (g) Security subject to the alternative minimum tax.
- (h) Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
- (i) Security is subject to a shortfall agreement which may require the Trust to pay amounts to a counterparty in the event of a significant decline in the market value of the security underlying the Dealer Trusts. In case of a shortfall, the maximum potential amount of payments the Trust could ultimately be required to make under the agreement is \$4,655,000. However, such shortfall payment would be reduced by the proceeds from the sale of the security underlying the Dealer Trusts.
- (j) Principal and interest payments are fully enhanced by a letter of credit from the bank listed or a predecessor bank, branch or subsidiary.
- (k) Demand security payable upon demand by the Trust at specified time intervals no greater than thirteen months. Interest rate is redetermined periodically. Rate shown is the rate in effect on February 28, 2011.

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- (l) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended. The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The value of this security at February 28, 2011 represented 0.36% of the Trust's Net Assets.
- (m) This table provides a listing of those entities that have either issued, guaranteed, backed or otherwise enhanced the credit quality of more than 5% of the securities held in the portfolio. In instances where the entity has guaranteed, backed or otherwise enhanced the credit quality of a security, it is not primarily responsible for the issuer's obligations but may be called upon to satisfy the issuer's obligations.

<b>Entities</b>	<b>Percentage</b>
National Public Finance Guaranty Corp.	31.2%
Assured Guaranty Municipal Corp.	24.8
American Municipal Bond Assurance Corp.*	9.4

- (n) Floating rate note obligations related to securities held. The interest rates shown reflect the rates in effect at February 28, 2011. At February 28, 2011, the Trust's investments with a value of \$56,501,636 are held by Dealer Trusts and serve as collateral for the \$39,789,640 in the floating rate note obligations outstanding at that date.

\* AMBAC filed for bankruptcy on November 8, 2010

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

### **15 Invesco Quality Municipal Securities**

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**Statement of Assets and Liabilities***February 28, 2011***Assets:**

Investments, at value (Cost \$278,997,931)	\$ 273,326,646
Cash	629,041
Receivable for: Investments sold	197,947
Interest	2,818,747
Investment for trustee deferred compensation and retirement plans	1,405
Other assets	13,717
Total assets	276,987,503

**Liabilities:**

Floating rate note obligations	39,789,640
Payable for: Dividends declared on preferred shares	3,101
Accrued fees to affiliates	61
Accrued other operating expenses	60,609
Trustee deferred compensation and retirement plans	60,033
Total liabilities	39,913,444
Preferred shares (\$0.01 par value, authorized 1,000,000 shares, 1,100 issued with liquidation preference of \$50,000 per share)	55,000,000
Net assets applicable to common shares	\$ 182,074,059

**Net assets applicable to common shares consist of:**

Shares of beneficial interest    common shares	\$ 198,898,707
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Undistributed net investment income	3,680,842
Undistributed net realized gain (loss)	(14,834,205)
Unrealized appreciation (depreciation)	(5,671,285)
	\$ 182,074,059

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

Common shares outstanding	13,454,169
Net asset value per common share	\$ 13.53
Market value per common share	\$ 12.65

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

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**Statement of Operations***For the period November 1, 2010 to February 28, 2011 and the year ended October 31, 2010*

	<b>Four months ended February 28, 2011</b>	<b>Year ended October 31, 2010</b>
<b>Investment income:</b>		
Interest	\$ 4,506,414	\$ 14,063,308
<b>Expenses:</b>		
Advisory fees	247,755	777,393
Administrative services fees	16,438	153,435
Custodian fees	2,072	9,018
Interest, facilities and maintenance fees	129,534	404,353
Transfer agent fees	4,069	8,825
Trustees and officers fees and benefits	6,214	29,254
Professional fees	33,511	166,947
Other	(73,872)	94,489
Total expenses	365,721	1,643,714
Less: Fees waived		(1,987)
Net expenses	365,721	1,641,727
Net investment income	4,140,693	12,421,581
<b>Realized and unrealized gain (loss) from:</b>		
Net realized gain (loss) from: Investment securities	(588,041)	(1,035,797)

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Futures contracts		469,418
	(588,041)	(566,379)
Change in net unrealized appreciation (depreciation) of:		
Investment securities	(17,162,059)	11,533,224
Futures contracts		(324,970)
	(17,162,059)	11,208,254
Net realized and unrealized gain (loss)	(17,750,100)	10,641,875
Net increase (decrease) in net assets resulting from operations	(13,609,407)	23,063,456
Distributions to preferred shareholders from net investment income	(78,948)	(221,268)
Net increase (decrease) in net assets resulting from operations applicable to common shares	\$ (13,688,355)	\$ 22,842,188

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

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**Statement of Changes in Net Assets**

*For the period November 1, 2010 to February 28, 2011 and the years ended October 31, 2010 and 2009*

	<b>Four months ended February 28, 2011</b>	<b>Year ended October 31, 2010</b>	<b>Year ended October 31, 2009</b>
<b>Operations:</b>			
Net investment income	\$ 4,140,693	\$ 12,421,581	\$ 12,719,068
Net realized gain (loss)	(588,041)	(566,379)	(11,418,077)
Change in net unrealized appreciation (depreciation)	(17,162,059)	11,208,254	31,138,157
Net increase (decrease) in net assets resulting from operations	(13,609,407)	23,063,456	32,439,148
Distributions to preferred shareholder from net investment income	(78,948)	(221,268)	(598,588)
Net increase (decrease) in net assets from operations applicable to common shares	(13,688,355)	22,842,188	31,840,560
Dividends to common shareholders from net investment income	(3,767,167)	(11,301,500)	(10,275,622)
Net increase (decrease) in net assets	(17,455,522)	11,540,688	21,564,938
<b>Net assets applicable to common shares:</b>			
Beginning of period	199,529,581	187,988,893	166,423,955
End of period (includes undistributed net investment income of \$3,680,842, \$3,395,057 and \$2,500,748, respectively)	\$ 182,074,059	\$ 199,529,581	\$ 187,988,893

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



**Statement of Cash Flows***For the period November 1, 2010 to February 28, 2011 and the year ended October 31, 2010*

	<b>Four months ended February 28, 2011</b>	<b>Year ended October 31, 2010</b>
Net increase (decrease) in net assets from operations applicable to common shares	\$ (13,688,355)	\$ 22,842,188
 <b>Adjustments to reconcile the change in net assets applicable to common shares from operations to net cash provided by operating activities</b>		
Net realized gain (loss on) investments	588,041	1,035,797
Net change in unrealized appreciation (depreciation) on investments	17,162,059	(11,533,224)
Amortization of premium	280,766	697,847
Accretion of discount	(481,069)	(1,532,178)
Cost of purchases of investments	(7,812,874)	(30,064,661)
Proceeds from sales of investments	7,247,708	29,303,697
Net purchase of short-term investments		286,437
Decrease in interest receivables and other assets	1,238,527	(11,458)
Decrease in accrued expenses and other payables	(121,198)	17,018
Net cash provided by operating activities	4,413,605	11,041,463
 <b>Cash flows provided by (used in) financing activities:</b>		
Dividends paid to common shareholders from net investment income	(3,767,167)	(11,301,500)
Net proceeds from and repayment of floating rate note obligations	(100,360)	343,000
Net cash provided by (used in) financing activities	(3,867,527)	(10,958,500)
Net increase in cash	546,078	82,963

Cash at beginning of period		82,963	
Cash at end of period	\$	629,041	\$ 82,963

**Supplemental disclosure of cash flow information:**

Cash paid during the period for interest, facilities and maintenance fees	\$	129,534	268,438
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For the year ended October 31, 2010, facilities and maintenance fees were excluded.

**Notes to Financial Statements**

*February 28, 2011*

**NOTE 1 Significant Accounting Policies**

Invesco Quality Municipal Securities (the Trust), is a Massachusetts business trust registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company. Effective June 1, 2010, the Trust's name changed from Morgan Stanley Quality Municipal Securities to Invesco Quality Municipal Securities.

On February 28, 2011, the Trust's fiscal year-end changed from October 31 to February 28.

The Trust's investment objective is to provide current income which is exempt federal income tax.

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

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

Securities are fair valued using an evaluated quote provided by an independent pricing service approved by the Board of Trustees. 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, yield, quality, coupon rate, maturity, type of issue, individual trading characteristics and other market data. Short-term obligations, including commercial paper, having 60 days or less to maturity are recorded at amortized cost which approximates value. Securities with a demand feature exercisable within one to seven days are valued at par. Debt securities are subject to interest rate and credit risks. In addition, all debt securities involve some risk of default with respect to interest and principal payments.

Securities for which market quotations either are not readily available or are 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. Some of the factors which may be considered in determining fair value are fundamental analytical data relating to the investment; the nature and duration of any restrictions on transferability or disposition; trading

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in similar securities by the same issuer or comparable companies; relevant political, economic or issuer specific news; and other relevant factors under the circumstances.

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 is recorded on the accrual basis from settlement date. 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 Trust may periodically participate in litigation related to Trust investments. As such, the Trust 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 Trust's net asset value and, accordingly, they reduce the Trust'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 Statement of Changes in Net Assets, or the net investment income per share and ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Trust and the investment adviser.

- C. Country Determination** For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

- D. Distributions** The Trust declares and pays monthly dividends from net investment income to common shareholders. Distributions from net realized capital gain, if any, are generally paid annually and are distributed on a pro rata basis to common and preferred shareholders. The Trust may elect to treat a portion of the proceeds from redemptions as distributions for federal income tax purposes.

- E. Federal Income Taxes** The Trust intends to comply with the requirements of Subchapter M of the Internal Revenue Code necessary to qualify as a regulated investment company and to distribute substantially all of the Trust's taxable earnings to shareholders. As such, the Trust 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.

In addition, the Trust intends to invest in such municipal securities to allow it to qualify to pay shareholders exempt-interest dividends, as defined in the Internal Revenue Code.

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

- 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 Trust 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 performance of their duties to the Trust. Additionally, in the normal course of business, the Trust enters into contracts, including the Trust's servicing agreements that contain a variety of indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.
- H. Cash and Cash Equivalents** For the purposes of the Statement of Cash Flows the Trust defines Cash and Cash Equivalents as cash (including foreign currency), money market funds and other investments held in lieu of cash and excludes investments made with cash collateral received.
- I. Floating Rate Note Obligations** The Trust invests in inverse floating rate securities, such as Residual Interest Bonds ( RIBs ) or Tender Option Bonds ( TOBs ) for investment purposes and to enhance the yield of the Trust. Inverse floating rate investments tend to underperform the market for fixed rate bonds in a rising interest rate environment, but tend to outperform the market for fixed rate bonds when interest rates decline or remain relatively stable. Such transactions may be purchased in the secondary market without first owning the underlying bond or by the sale of fixed rate bonds by the Trust to special purpose trusts established by a broker dealer ( Dealer Trusts ) in exchange for cash and residual interests in the Dealer Trusts' assets and cash flows, which are in the form of inverse floating rate securities. The Dealer Trusts finance the purchases of the fixed rate bonds by issuing floating rate notes to third parties and allowing the Trust to retain residual interest in the bonds. The floating rate notes issued by the Dealer Trusts have interest rates that reset weekly and the floating rate note holders have the option to tender their notes to the Dealer Trusts for redemption at par at each reset date. The residual interests held by the Trust (inverse floating rate investments) include the right of the Trust (1) to cause the holders of the floating

rate notes to tender their notes at par at the next interest rate reset date, and (2) to transfer the municipal bond from the Dealer Trusts to the Trust, thereby collapsing the Dealer Trusts.

TOBs are presently classified as private placement securities. Private placement securities are subject to restrictions on resale because they have not been registered under the Securities Act of 1933, as amended or are otherwise not readily marketable. As a result of the absence of a public trading market for these securities, they may be less liquid than publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized from these sales could be less than those originally paid by the Trust or less than what may be considered the fair value of such securities.

The Trust accounts for the transfer of bonds to the Dealer Trusts as secured borrowings, with the securities transferred remaining in the Trust's investment assets, and the related floating rate notes reflected as Trust liabilities under the caption *Floating rate note obligations* on the Statement of Assets and Liabilities. The Trust records the interest income from the fixed rate bonds under the caption *Interest* and records the expenses related to floating rate obligations and any administrative expenses of the Dealer Trusts as a component of *Interest, facilities and maintenance fees* on the Statement of Operations.

The Trust generally invest in inverse floating rate securities that include embedded leverage, thus exposing the Trust to greater risks and increased costs. The primary risks associated with inverse floating rate securities are varying degrees of liquidity and the changes in the value of such securities in response to changes in market rates of interest to a greater extent than the value of an equal principal amount of a fixed rate security having similar credit quality, redemption provisions and maturity which may cause the Trust's net asset value to be more volatile than if it had not invested in inverse floating rate securities. In certain instances, the short-term floating rate interests created by the special purpose trust may not be able to be sold to third parties or, in the case of holders tendering (or putting) such interests for repayment of principal, may not be able to be remarketed to third parties. In such cases, the special purpose trust holding the long-term fixed rate bonds may be collapsed. In the case of RIBs or TOBs created by the contribution of long-term fixed income bonds by the Trust, the Trust will then be required to repay the principal amount of the tendered securities. During times of market volatility, illiquidity or uncertainty, the Trust could be required to sell other portfolio holdings at a disadvantageous time to raise cash to meet that obligation.

**J. Futures Contracts** The Trust 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 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 Trust 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 Trust recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Trust'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 Trust were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Trust 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.

**K. Other Risks** The value of, payment of interest on, repayment of principal for and the ability of the Trust to sell a municipal security may be affected by constitutional amendments, legislative enactments, executive orders,

administrative regulations, voter initiatives and the economics of the regions in which the issuers in which the Trust invests are located.

Since many municipal securities are issued to finance similar projects, especially those relating to education, health care, transportation and utilities, conditions in those sectors can affect the overall municipal securities market and the Trust.

There is some risk that a portion or all of the interest received from certain tax-free municipal securities could become taxable as a result of determinations by the Internal Revenue Service.

- L. Interest, Facilities and Maintenance Fees** Interest, Facilities and Maintenance Fees include interest and related borrowing costs such as commitment fees and other expenses associated with lines of credit and interest and administrative expenses related to establishing and maintaining Auction Rate Preferred Shares and floating rate note obligations, if any.

## **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 Trust pays an advisory fee to the Adviser based on the annual rate 0.27% of the Trust's average weekly net assets including current preferred shares and leverage entered into to retire preferred shares of the Trust. Prior to June 1, 2010, the Trust paid an advisory fee of \$447,090 to Morgan Stanley Investment Advisors Inc. ( MSIA ) based on the annual rate and Trust's average weekly net assets as discussed above.

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 Australia Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Trimark Ltd. (collectively, the Affiliated Sub-Advisers ) the Adviser, not the Trust, may pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide discretionary investment management services to the Trust based on the percentage of assets allocated to such Sub-Adviser(s).

The Adviser has contractually agreed, through at least June 30, 2012, to waive advisory fees and/or reimburse expenses to the extent necessary to limit the Trust's expenses (excluding certain items discussed below) to 0.66%. 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 Trust's expenses to exceed the limit reflected above: (1) interest, facilities and maintenance

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fees; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items; and (5) expenses that the Trust has incurred but did not actually pay because of an expense offset arrangement. Unless the Board of Trustees and Invesco mutually agree to amend or continue the fee waiver agreement, it will terminate on June 30, 2012. The Adviser did not waive fees and/or reimburse expenses during the period under this expense limitation.

Prior June 1, 2010, investment advisory fees paid by the Fund were reduced by an amount equal to the advisory and administrative service fees paid by Morgan Stanley Institutional Liquidity Funds Tax Exempt Portfolio Institutional Class shares.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Trust has agreed to pay Invesco for certain administrative costs incurred in providing accounting services to the Trust. Prior to June 1, 2010, the Trust paid an administration fee of \$132,476 to Morgan Stanley Services Company, Inc. For the period November 1, 2010 to February 28, 2011 and the year ended October 31, 2010, expenses incurred under these agreements are shown in the Statement of Operations as administrative services fees. Also, Invesco has entered into service agreements whereby State Street Bank and Trust Company (SSB) serves as the custodian and fund accountant and provides certain administrative services to the Trust.

For the year ended October 31, 2010, the Adviser and MSIA waived advisory fees of \$1,854 and \$133, respectively. Certain officers and trustees of the Trust are officers and directors of Invesco.

### 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 Trust'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 February 28, 2011. 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.

During the period November 1, 2010 to February 28, 2011, there were no significant transfers between investment levels.

	Level 1	Level 2	Level 3	Total
Municipal Obligations	\$	\$ 273,326,646	\$	\$ 273,326,646

**NOTE 4 Derivative Investments**

The Trust has implemented the required disclosures about derivative instruments and hedging activities in accordance with GAAP. This disclosure is intended to improve financial reporting about derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position and financial performance. The enhanced disclosure has no impact on the results of operations reported in the financial statements.

**Effect of Derivative Instruments for the Period of November 1, 2010 to February 28, 2011 and the year ended October 31, 2010.**

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

	<b>Location of Gain (Loss) on Statement of Operations Futures</b>	
	<b>Four months ended February 28, 2011</b>	<b>Year ended October 31, 2010*</b>
Realized Gain (Loss)		
Interest risk	\$	\$ 469,418
Change in Unrealized Appreciation (Depreciation)		
Interest rate risk		(324,970)
Total	\$	\$ 144,448

\* The average notional value of futures outstanding during the year ended October 31, 2010 was \$943,952.

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**NOTE 5 Trustees and Officers Fees and Benefits**

Trustees and Officers Fees and Benefits include amounts accrued by the Trust to pay remuneration to certain Trustees and Officers of the Trust. Trustees have the option to defer compensation payable by the Trust, and Trustees and Officers Fees and Benefits also include amounts accrued by the Trust 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 are eligible to participate in a retirement plan that provides for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Trust 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 Trust to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Trust.

During the period November 1, 2010 to February 28, 2011 and the period June 1, 2010 to October 31, 2010, the Trust paid legal fees of \$675 and \$72, respectively, for services rendered by Kramer, Levin, Naftalis & Frankel LLP as counsel to the Independent Trustees. A member of that firm is a Trustee of the Trust.

**NOTE 6 Cash Balances and Borrowings**

The Trust is permitted to temporarily carry a negative or overdrawn balance in its account with SSB, the custodian bank. To compensate the custodian bank for such overdrafts, the overdrawn Trust 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.

Inverse floating rate obligations resulting from the transfer of bonds to Dealer Trusts are accounted for as secured borrowings. The average floating rate notes outstanding and average annual interest and fees related to inverse floating rate note obligations during November 1, 2010 to February 28, 2011 were \$38,747,000 and 0.65%, respectively.

**NOTE 7 Distributions to Shareholders and Tax Components of Net Assets****Tax Character of Distributions to Shareholders Paid the During the Period November 1, 2010 to February 28, 2011 and the Years Ended October 31, 2010 and 2009:**

	<b>Four months ended February 28, 2011</b>	<b>Year ended October 31, 2010</b>	<b>Year ended October 31, 2009</b>
Tax-exempt income	\$ 3,846,115	\$ 11,518,176	\$ 10,874,210
Ordinary income		4,592	
Total distributions	\$ 3,846,115	\$ 11,522,768	\$ 10,874,210

**Tax Components of Net Assets at Period-End:**

	<b>2011</b>
Undistributed ordinary income	\$ 3,476,344
Net unrealized appreciation (depreciation) investments	(5,348,056)
Temporary book/tax differences	(60,033)
Capital loss carryforward	(14,892,903)
Shares of beneficial interest common shares	198,898,707
Total net assets attributable to common shares	\$ 182,074,059

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 Trust's net unrealized appreciation (depreciation) difference is attributable primarily to bond amortization accretion.

The temporary book/tax differences are a result of timing differences between book and tax recognition of income and/or expenses. The Trust'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 Trust to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

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The Trust has a capital loss carryforward as of February 28, 2011 which expires as follows:

<b>Expiration</b>	<b>Capital Loss Carryforward*</b>
February 28, 2015	\$ 249,765
February 28, 2016	1,475,005
February 28, 2017	11,693,456
February 28, 2018	886,636
February 28, 2019	588,041
Total capital loss carryforward	\$ 14,892,903

\* Capital loss carryforward as of the date listed above is reduced for limitations, if any, to the extent required by the Internal Revenue Code.

#### **NOTE 8 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 Trust during the period November 1, 2010 to February 28, 2011 was \$3,353,807 and \$7,445,655, 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	\$ 7,479,186
Aggregate unrealized (depreciation) of investment securities	(12,827,242)
Net unrealized appreciation (depreciation) of investment securities	\$ (5,348,056)

Cost of investments for tax purposes is \$278,674,702.

#### **NOTE 9 Reclassification of Permanent Differences**

Primarily as a result of differing book/tax treatment of federal income taxes on February 28, 2011, undistributed net investment income was decreased by \$8,793 and shares of beneficial interest increased by \$8,793. This reclassification had no effect on the net assets of the Trust.

#### **NOTE 10 Preferred Shares of Beneficial Interest**

The Trust has issued Series 1 through 5 Auction Rate Preferred Shares ( preferred shares ) which have a liquidation value of \$50,000 per share plus the redemption premium, if any, plus accumulated but unpaid dividends, whether or

not declared, thereon to the date of distribution. The Trust may redeem such shares, in whole or in part, at the original purchase price of \$50,000 per share plus accumulated but unpaid dividends, whether or not declared, thereon to the date of redemption.

Historically, the Trust paid annual fees equivalent to 0.25% of the preferred share liquidation value for the remarketing efforts associated with the preferred auction. Effective March 31, 2009, the Trust decreased this amount to 0.15% due to auction failures. In the future, if auctions no longer fail, the Trust may return to an annual fee payment of 0.25% of the preferred share liquidation value. These fees are included as a component of interest, facilities and maintenance fees on the Statement of Operations.

Dividends, which are cumulative, are reset through auction procedures.

<b>Series</b>	<b>Shares</b>	<b>Amount (000 s omitted)</b>	<b>Rate</b>	<b>Reset Date</b>	<b>Range of Dividend Rates</b>
1	193	\$ 9,650	0.396%	03/08/2011	0.366-0.503%
2	170	8,500	0.426	03/02/2011	0.366-0.503
3	170	8,500	0.411	03/03/2011	0.366-0.503
4	340	17,000	0.396	03/08/2011	0.366-0.503
5	227	11,350	0.396	03/08/2011	0.366-0.503

As of February 28, 2011.

For the period November 1, 2010 to February 28, 2011.

Subsequent to February 28, 2011 and up through April 7, 2011, the Trust paid dividends to preferred shareholders at rates ranging from 0.381% to 0.396% in the aggregate amount of \$20,531.

The Trust is subject to certain restrictions relating to the preferred shares. Failure to comply with these restrictions could preclude the Trust from declaring any distributions to common shareholders or purchasing common shares and/or could trigger the mandatory redemption of preferred shares at liquidation value.

Beginning November 1, 2010 and continuing through February 28, 2011 all series of preferred shares of the Trust were not successfully remarketed. As a result, the dividend rates of these preferred shares were reset to the maximum applicable rate.

The preferred shares, which are entitled to one vote per share, generally vote with the common shares but vote separately as a class to elect two Trustees and on any matters affecting the rights of the preferred shares.

## **24 Invesco Quality Municipal Securities**

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The preferred shares are not listed on an exchange. Investors in preferred shares may participate in auctions through authorized broker-dealers; however, such broker-dealers are not required to maintain a secondary market in preferred shares, and there can be no assurance that a secondary market will develop, or if it does develop, a secondary market may not provide you with liquidity. When a preferred share auction fails, investors may not be able to sell any or all of their preferred shares and because of the nature of the market for preferred shares, investors may receive less than the price paid for their preferred shares if sold outside of the auction.

The Trust entered into additional floating rate note obligations as an alternative form of leverage in order to redeem and to retire a portion of its preferred shares. Transactions in preferred shares were as follows:

	<b>Shares</b>	<b>Value</b>
Outstanding at October 31, 2009	1,100	\$ 55,000,000
Shares retired		
Outstanding at October 31, 2010	1,100	55,000,000
Shares retired		
Outstanding at February 28, 2011	1,100	\$ 55,000,000

#### **NOTE 11 Common Shares of Beneficial Interest**

Transactions in common shares of beneficial interest were as follows:

	<b>Four months ended February 28, 2011</b>	<b>Year ended October 31, 2010</b>	<b>Year ended October 31, 2009</b>
Beginning shares	13,454,169	13,454,169	13,454,169
Shares issued through dividend reinvestment			
Ending shares	13,454,169	13,454,169	13,454,169

The Trustees have approved share repurchases whereby the Trust may, when appropriate, purchase shares in the open market or in privately negotiated transactions at a price not above market value or net asset value, whichever is lower at the time of purchase.

#### **NOTE 12 Dividends**

The Trust declared the following dividends to common shareholders from net investment income subsequent to February 28, 2011:

<b>Declaration Date</b>	<b>Amount Per Share</b>	<b>Record Date</b>	<b>Payable Date</b>
March 1, 2011	\$ 0.07	March 15, 2011	March 31, 2011
April 1, 2011	\$ 0.07	April 15, 2011	April 29, 2011

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**NOTE 13 Financial Highlights**

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

	<b>Four months ended February 28 2011</b>		<b>Year ended October 31</b>			
	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	
Net asset value, beginning of period	\$ 14.83	\$ 13.97	\$ 12.37	\$ 15.27	\$ 16.04	\$ 15.86
Net investment income <sup>(a)</sup>	0.31	0.92	0.95	0.96	0.97	0.95
Net gains (losses) on securities (both realized and unrealized)	(1.32)	0.80	1.45	(2.91)	(0.71)	0.43
Common share equivalent of dividends paid to preferred shareholders <sup>(a)</sup>	(0.01)	(0.02)	(0.04)	(0.25)	(0.26)	(0.22)
Total from investment operations	(1.02)	1.70	2.36	(2.20)		1.16
Less distributions from:						
Dividends from net investment income	(0.28)	(0.84)	(0.76)	(0.72)	(0.72)	(0.80)
Distributions from net realized gains					(0.08)	(0.23)
Total distributions	(0.28)	(0.84)	(0.76)	(0.72)	(0.80)	(1.03)
Anti-dilutive effect of shares repurchased <sup>(a)</sup>				0.02	0.03	0.05
Net asset value, end of period	\$ 13.53	\$ 14.83	\$ 13.97	\$ 12.37	\$ 15.27	\$ 16.04
Market value, end of period	\$ 12.65	\$ 14.31	\$ 12.80	\$ 10.55	\$ 13.63	\$ 14.70
Total return at net asset value <sup>(b)</sup>	(6.78)%	12.81%	29.60%	18.14%	(2.04)%	12.11%

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Total return at market value <sup>(b)</sup>	(9.67)%	18.81%				
Ratios/supplemental data:						
Net assets, end of period (000s omitted)	\$ 182,074	\$ 199,530	\$ 187,989	\$ 166,424	\$ 207,833	\$ 223,185
Portfolio turnover rate <sup>(c)</sup>	1%	11%	21%	9%	14%	15%
<b>Ratios/supplemental data based on average net assets applicable to common shares:</b>						
Ratio of expenses <sup>(d)</sup>	0.60% <sup>(e)(f)</sup>	0.85% <sup>(g)</sup>	0.99% <sup>(g)</sup>	1.23% <sup>(g)</sup>	1.28% <sup>(g)</sup>	0.93%
Ratio of expenses, exclusive of interest, facilities and maintenance fees <sup>(d)</sup>	0.39% <sup>(e)(f)</sup>	0.71% <sup>(g)</sup>	0.78% <sup>(g)</sup>	0.79% <sup>(g)</sup>	0.76% <sup>(g)</sup>	0.79%
Ratio of net investment income before preferred share dividends	6.87% <sup>(e)</sup>	6.41% <sup>(g)</sup>	7.33% <sup>(g)</sup>	6.57% <sup>(g)</sup>	6.19% <sup>(g)</sup>	6.08%
Preferred share dividends	0.13% <sup>(e)</sup>	0.11% <sup>(g)</sup>	0.34% <sup>(g)</sup>	1.70% <sup>(g)</sup>	1.67% <sup>(g)</sup>	1.38%
Ratio of net investment income applicable to common shareholders	6.74% <sup>(e)</sup>	6.30% <sup>(g)</sup>	6.99% <sup>(g)</sup>	4.87% <sup>(g)</sup>	4.52% <sup>(g)</sup>	4.70%
Rebate from Morgan Stanley affiliate		%	0.00% <sup>(h)</sup>	0.00% <sup>(h)</sup>	0.00% <sup>(h)</sup>	%
<b>Senior securities:</b>						
Total amount of preferred shares outstanding (000s omitted)	\$ 55,000					
Asset coverage on preferred shares at end of period <sup>(i)</sup>	\$ 215,522	463%	442%	330%	314%	330%
Liquidating preference per preferred share	\$ 50,000					

(a) Calculated using average shares outstanding.

(b) Net asset value return includes adjustments in accordance with accounting principles generally accepted in the United States of America and measures the changes in common shares value over the period indicated, taking into



account dividends as reinvested. Market value return is computed based upon the New York Stock Exchange market price of the Fund's common shares and excludes the effects of brokerage commissions. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan.

- (c) Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.
- (d) Ratios does not reflect the effect of dividend payments to preferred shareholders. For the periods ended October 31, 2010 and prior, ratio does not exclude facilities and maintenance fees.
- (e) Ratios are annualized and based on average daily net assets applicable to common shares (000's omitted) of \$183,449.
- (f) Ratio includes an adjustment for a change in accounting estimate for professional services fees during the period. Ratios excluding this adjustment would have been higher by 0.16%.
- (g) The ratios reflect the rebate of certain Fund expenses in connection with investments in a Morgan Stanley affiliate during the period. The effect of the rebate on the ratios is disclosed in the above table as Rebate from Morgan Stanley affiliate .
- (h) Amount is less than 0.005%.
- (i) Calculated by subtracting the Trust's total liabilities (not including preferred shares) from the Trust's total assets and dividing this number by the number of preferred shares outstanding. For periods prior to February 28, 2011, calculated by subtracting the Trust's total liabilities (not including the preferred shares) from the Trust's total assets and dividing this by preferred shares at liquidation value.

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**Report of Independent Registered Public Accounting Firm**

To the Board of Trustees and Shareholders of  
Invesco Quality Municipal Securities:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations, of changes in net assets and of cash flows and the financial highlights present fairly, in all material respects, the financial position of Invesco Quality Municipal Securities (hereafter referred to as the Trust ) at February 28, 2011, and the results of its operations, the changes in its net assets, its cash flows, and the financial highlights for the period ended February 28, 2011 and the year ended October 31, 2010, 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 Trust '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 February 28, 2011 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion. The statement of changes in net assets for the year ended October 31, 2009 and the financial highlights of the Trust for the periods ended October 31, 2009 and prior were audited by other independent auditors whose report dated December 24, 2009 expressed an unqualified opinion on those financial statements.

PRICEWATERHOUSECOOPERS LLP

April 21, 2011  
Houston, Texas

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## 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 Trust designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended February 28, 2011:

### Federal and State Income Tax

Tax-Exempt Interest Dividends*	100%
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\* The above percentage is based on ordinary income dividends paid to shareholders during the Trust's fiscal year.

**Trustees and Officers**

The address of each trustee and officer is 1555 Peachtree, N.E., Atlanta, Georgia 30309. Generally, each trustee serves for a three year term or until his or her successor has been duly elected and qualified, and each officer serves for a one year term or until his or her successor has been duly 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
<b>Interested Persons</b>				
Martin L. Flanagan <sup>1</sup> 1960 Trustee	2010	<p>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</p> <p>Formerly: Chairman, 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</p>	208	None

		<p>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)</p>		
<p>Philip A. Taylor<sup>2</sup> 1954 Trustee, President and Principal Executive Officer</p>	<p>2010</p>	<p>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, Chief Executive Officer and President, 1371 Preferred Inc. (holding company); Director, Chairman, Chief Executive Officer and President, Invesco Management Group, Inc. (formerly Invesco Aim Management Group, Inc.) (financial services holding company); Director and President, INVESCO Funds Group, Inc. (registered investment adviser and registered transfer agent) and AIM GP Canada Inc. (general partner for limited partnerships); Director and Chairman, Invesco Investment Services, Inc. (formerly</p>	<p>208</p>	<p>None</p>

known as Invesco Aim Investment Services, Inc.) (registered transfer agent) and IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.) (registered broker dealer); Director, President and Chairman, Invesco Inc. (holding company) and Invesco Canada Holdings Inc. (holding company); Chief Executive Officer, Invesco Trimark Corporate Class Inc. (corporate mutual fund company) and Invesco Trimark Canada Fund Inc. (corporate mutual fund company); Director and Chief Executive Officer, Invesco Trimark Ltd./Invesco Trimark Ltée (registered investment adviser and registered transfer agent) and Invesco Trimark Dealer Inc. (registered broker dealer); Trustee, President and Principal Executive Officer, The Invesco Funds (other than AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust) and Short-Term Investments Trust); Trustee and Executive Vice President, The Invesco Funds (AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust) and Short-Term Investments Trust only); and Director, Van Kampen Asset Management; Director, Chief Executive Officer and President, Van

Kampen Investments Inc. and Van Kampen Exchange Corp.; Director and Chairman, Van Kampen Investor Services Inc. and Director and President, Van Kampen Advisors, Inc.

Formerly: 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 Ltèe; Director and President, AIM Trimark Corporate Class Inc. and AIM Trimark Canada Fund Inc.; Senior Managing Director, Invesco Holding Company Limited; Trustee and Executive Vice President, Tax-Free Investments Trust; 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), Short-Term Investments Trust and Tax-Free Investments Trust only); President, AIM Trimark Global Fund Inc. and AIM Trimark Canada Fund Inc.		
Wayne M. Whalen <sup>3</sup> Trustee	1939	2010	Of Counsel, and prior to 2010, partner in the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, legal counsel to funds in the Fund Complex	226	Director of the Abraham Lincoln Presidential Library Foundation
<b>Independent Trustees</b>					
Bruce L. Crockett Trustee and Chair	1944	2010	Chairman, Crockett Technology Associates (technology consulting company)  Formerly: Director, Captaris (unified messaging provider); Director, President and Chief Executive Officer COMSAT Corporation; and Chairman, Board of Governors of INTELSAT (international communications company)	208	ACE Limited (insurance company); and Investment Company Institute
David C. Arch Trustee	1945	2010	Chairman and Chief Executive Officer of Blistex Inc., a consumer health care products manufacturer.	226	Member of the Heartland Alliance Advisory Board, a nonprofit organization serving human needs based in Chicago. Board member of the Illinois Manufacturers Association. Member of the Board of Visitors, Institute for the Humanities, University of Michigan



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- <sup>1</sup> Mr. Flanagan is considered an interested person 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 to the Trust.
- <sup>2</sup> Mr. Taylor is considered an interested person of the Trust because he is an officer and a director of the adviser to, and a director of the principal underwriter of, the Trust.
- <sup>3</sup> Mr. Whalen is considered an interested person (within the meaning of Section 2(a)(19) of the 1940 Act) of certain Funds in the Fund Complex by reason of he and his firm currently providing legal services as legal counsel to such Funds in the Fund Complex.

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**Trustees and Officers** (continued)

<b>Name, Year of Birth and Position(s) Held with the Trust</b>	<b>Trustee and/or Officer Since</b>	<b>Principal Occupation(s) During Past 5 Years</b>	<b>Number of Funds in Fund Complex Overseen by Trustee</b>	<b>Other Directorship(s) Held by Trustee</b>
<b>Independent Trustees</b>				
Bob R. Baker 1936 Trustee	2010	Retired  Formerly: President and Chief Executive Officer, AMC Cancer Research Center; and Chairman and Chief Executive Officer, First Columbia Financial Corporation	208	None
Frank S. Bayley 1939 Trustee	2010	Retired  Formerly: Director, Badgley Funds, Inc. (registered investment company) (2 portfolios) and Partner, law firm of Baker & McKenzie	208	None
James T. Bunch 1942 Trustee	2010	Founder, Green, Manning & Bunch Ltd. (investment banking firm)  Formerly: Executive Committee, United States Golf Association; and Director, Policy Studies, Inc. and Van Gilder Insurance Corporation	208	Vice Chairman, Board of Governors, Western Golf Association/Evans Scholars Foundation and Director, Denver Film Society
Rodney Dammeyer 1940 Trustee	2010	President of CAC, LLC, a private company offering capital investment and management advisory services.  Formerly: Prior to	226	Director of Quidel Corporation and Stericycle, Inc. Prior to May 2008, Trustee of The Scripps Research Institute. Prior to February 2008, Director of Ventana

			<p>January 2004, Director of TeleTech Holdings Inc.; Prior to 2002, Director of Arris Group, Inc.; Prior to 2001, Managing Partner at Equity Group Corporate Investments. Prior to 1995, Vice Chairman of Anixter International. Prior to 1985, experience includes Senior Vice President and Chief Financial Officer of Household International, Inc, Executive Vice President and Chief Financial Officer of Northwest Industries, Inc. and Partner of Arthur Andersen &amp; Co.</p>		<p>Medical Systems, Inc. Prior to April 2007, Director of GATX Corporation. Prior to April 2004, Director of TheraSense, Inc.</p>
<p>Albert R. Dowden Trustee</p>	<p>1941</p>	<p>2010</p>	<p>Director of a number of public and private business corporations, including the Boss Group, Ltd. (private investment and management); Reich &amp; Tang Funds (5 portfolios) (registered investment company); and Homeowners of America Holding Corporation/ Homeowners of America Insurance Company (property casualty company)</p> <p>Formerly: 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);</p>	<p>208</p>	<p>Board of Nature s Sunshine Products, Inc.</p>

			<p>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)</p>		
Jack M. Fields Trustee	1952	2010	<p>Chief Executive Officer, Twenty First Century Group, Inc. (government affairs company); and Owner and Chief Executive Officer, Dos Angelos Ranch, L.P. (cattle, hunting, corporate entertainment), Discovery Global Education Fund (non-profit) and Cross Timbers Quail Research Ranch (non-profit)</p> <p>Formerly: Chief Executive Officer, Texana Timber LP (sustainable forestry company) and member of the U.S. House of Representatives</p>	208	Administaff
Carl Frischling Trustee	1937	2010	<p>Partner, law firm of Kramer Levin Naftalis and Frankel LLP</p>	208	Director, Reich & Tang Funds (16 portfolios)

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Prema Mathai-Davis Trustee	1950	2010	Retired  Formerly: Chief Executive Officer, YWCA of the U.S.A.	208	None
Larry Soll Trustee	1942	2010	Retired  Formerly, Chairman, Chief Executive Officer and President, Synergen Corp. (a biotechnology company)	208	None
Hugo F. Sonnenschein Trustee	1940	2010	President Emeritus and Honorary Trustee of the University of Chicago and the Adam Smith Distinguished Service Professor in the Department of Economics at the University of Chicago. Prior to July 2000, President of the University of Chicago.	226	Trustee of the University of Rochester and a member of its investment committee. Member of the National Academy of Sciences, the American Philosophical Society and a fellow of the American Academy of Arts and Sciences
Raymond Stickel, Jr. Trustee	1944	2010	Retired  Formerly: Director, Mainstay VP Series Funds, Inc. (25 portfolios) and Partner, Deloitte & Touche	208	None

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**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
<b>Other Officers</b>				
Russell C. Burk 1958 Senior Vice President and Senior Officer	2010	Senior Vice President and Senior Officer of Invesco Funds	N/A	N/A
John M. Zerr 1962 Senior Vice President, Chief Legal Officer and Secretary	2010	Director, Senior Vice President, Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.), Van Kampen Investments 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.) and IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.); Director and Vice President, INVESCO Funds Group, Inc.; Senior Vice President,	N/A	N/A

Chief Legal Officer and Secretary, The Invesco Funds; Manager, Invesco PowerShares Capital Management LLC; Director, Secretary and General Counsel, Van Kampen Asset Management; Director and Secretary, Van Kampen Advisors Inc.; Secretary and General Counsel, Van Kampen Funds Inc.; and Director, Vice President, Secretary and General Counsel, Van Kampen Investor Services Inc.; and Chief Legal Officer, 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

Formerly: Director, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Director, Senior Vice President, General Counsel and Secretary, Invesco Advisers, 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

			<p>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>		
<p>Lisa O. Brinkley Vice President</p>	<p>1959</p>	<p>2010</p>	<p>Global Compliance Director, Invesco Ltd.; 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.; and Vice President, The Invesco Funds</p> <p>Formerly: Senior Vice President, Invesco Management Group, Inc.; Senior Vice President</p>	<p>N/A</p>	<p>N/A</p>





			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		
Sheri Morris	1964	2010	Vice President, Treasurer and Principal Financial Officer, The Invesco Funds; and Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser)	N/A	N/A
			Formerly: Vice President, Invesco 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.		
Karen Dunn Kelley	1960	2010	Head of Invesco's World Wide Fixed Income and Cash Management Group; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser) and Van	N/A	N/A

Kampen Investments Inc.; Executive Vice President, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.); Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.); and Director, Invesco Mortgage Capital Inc.; Vice President, The Invesco Funds (other than AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust) and Short-Term Investments Trust); President and Principal Executive Officer, The Invesco Funds (AIM Treasurer's Series Trust (Invesco Treasurer's Series Trust) and Short-Term Investments Trust only).

Formerly: 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.; President and Principal Executive Officer, Tax-Free Investments Trust; Director and President, Fund Management Company; Chief Cash Management Officer, Director of Cash Management, Senior Vice President, and Managing Director,

		<p>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), Short-Term Investments Trust and Tax-Free Investments Trust only)</p>		
<p>Lance A. Rejsek 1967 Anti-Money Laundering Compliance Officer</p>	<p>2010</p>	<p>Anti-Money Laundering Compliance Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.), Invesco Investment Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.), The Invesco Funds, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange-Traded Trust II, PowerShares India Exchange- Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust, Van Kampen Asset Management, Van Kampen Investor Services Inc., and Van Kampen Funds Inc.</p> <p>Formerly: Anti-Money Laundering Compliance Officer, Fund Management Company, Invesco Advisers, Inc.,</p>	<p>N/A</p>	<p>N/A</p>

 Invesco Aim Capital  
Management, Inc. and  
Invesco Aim Private  
Asset Management, Inc. 

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**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
<b>Other Officers</b>				
Todd L. Spillane 1958 Chief Compliance Officer	2010	Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco Aim Management Group, Inc.), Van Kampen Investments Inc. and Van Kampen Exchange Corp.; Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser) (formerly known as Invesco Institutional (N.A.), Inc.); Chief Compliance Officer, The Invesco Funds, PowerShares Exchange-Traded Fund Trust, PowerShares Exchange- Traded Trust II, PowerShares India Exchange-Traded Fund Trust, PowerShares Actively Managed Exchange-Traded Fund Trust, INVESCO Private Capital Investments, Inc. (holding company), and Invesco Private Capital, Inc. (registered investment adviser); Vice President, Invesco Distributors, Inc. (formerly known as Invesco Aim Distributors, Inc.), Invesco Investment	N/A	N/A

	<p>Services, Inc. (formerly known as Invesco Aim Investment Services, Inc.) and Van Kampen Investor Services Inc.</p>	
	<p>Formerly: Senior Vice President and Chief Compliance Officer, Invesco Advisers, Inc. and Invesco Aim Capital Management, Inc.; Chief Compliance Officer, Invesco Global Asset Management (N.A.), Inc. and Invesco Senior Secured Management, Inc. (registered investment adviser); Vice President, Invesco Aim Capital Management, Inc. and Fund Management Company</p>	

**Office of the Fund**

555 Peachtree Street, N.E.  
Atlanta, GA 3030911

**Investment Adviser**

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

**Auditors**

PricewaterhouseCoopers LLP  
1201 Louisiana Street, Suite 2900  
Houston, TX 77002-5678

**Custodian**

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

**Counsel to the Fund**

Stradley Ronon Stevens & Young, LLP

600 One Commerce Square

Philadelphia, PA 19103

**Counsel to the Independent Trustees**

Kramer, Levin, Naftalis & Frankel LLP  
1177 Avenue of the Americas  
New York, NY 10036-2714

**Transfer Agent**

Computershare Trust Company, N.A.  
P.O. Box 43078  
Providence, RI 02940-3078



### **Invesco privacy policy**

You share personal and financial information with us that is necessary for your transactions and your account records. We take very seriously the obligation to keep that information confidential and private.

Invesco collects nonpublic personal information about you from account applications or other forms you complete and from your transactions with us or our affiliates. We do not disclose information about you or our former customers to service providers or other third parties except to the extent necessary to service your account and in other limited circumstances as permitted by law. For example, we use this information to facilitate the delivery of transaction confirmations, financial reports, prospectuses and tax forms.

Even within Invesco, only people involved in the servicing of your accounts and compliance monitoring have access to your information. To ensure the highest level of confidentiality and security, Invesco maintains physical, electronic and procedural safeguards that meet or exceed federal standards. Special measures, such as data encryption and authentication, apply to your communications with us on our website. More detail is available to you at [invesco.com/privacy](http://invesco.com/privacy).

### **Trust holdings and proxy voting information**

The Trust 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 Trust's semiannual and annual reports to shareholders. For the first and third quarters, the Trust files the lists with the Securities and Exchange Commission (SEC) on Form N-Q. Shareholders can also look up the Trust's Forms N-Q on the SEC website at [sec.gov](http://sec.gov). Copies of the Trust'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](mailto:publicinfo@sec.gov). The SEC file number for the Trust is 811-07560.

A description of the policies and procedures that the Trust uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 341 2929 or at [invesco.com/proxyguidelines](http://invesco.com/proxyguidelines). The information is also available on the SEC website, [sec.gov](http://sec.gov).

Information regarding how the Trust voted proxies related to its portfolio securities during the 12 months ended June 30, 2010, is available at [invesco.com/proxysearch](http://invesco.com/proxysearch). In addition, this information is available on the SEC website at [sec.gov](http://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 U.S. 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.

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Invesco Distributors, Inc.

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ITEM 2. CODE OF ETHICS.

As of the end of the period covered by this report, the Registrant had adopted a code of ethics (the Code ) that applies to the Registrant s principal executive officer ( PEO ) and principal financial officer ( PFO ). There were no amendments to the Code during the period covered by the report. The Registrant did not grant any waivers, including implicit waivers, from any provisions of the Code to the PEO or PFO during the period covered by this report.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The Board of Trustees has determined that the Registrant has at least one audit committee financial expert serving on its Audit Committee. The Audit Committee financial experts are David C. Arch, James T. Bunch, Bruce L. Crockett, Rodney Dammeyer and Raymond Stickel, Jr. Messrs. Arch, Bunch, Crockett, Dammeyer and Stickel are independent within the meaning of that term as used in Form N-CSR.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

**Fees Billed by PWC Related to the Registrant**

PWC billed the Registrant aggregate fees for services rendered to the Registrant for the last two fiscal years as follows:

	Fees Billed for Services Rendered to the Registrant for fiscal year end 2/28/2011	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 2/28/2011 Pursuant to Waiver of Pre-Approval Requirement <sup>(1)</sup>	Fees Billed for Services Rendered to the Registrant for fiscal year end 10/31/2010	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 10/31/2010 Pursuant to Waiver of Pre-Approval Requirement <sup>(1)</sup>
Audit Fees	\$ 19,250	N/A	\$ 35,000	N/A
Audit-Related Fees <sup>(2)</sup>	\$ 4,000	0%	\$ 0	0%
Tax Fees <sup>(3)</sup>	\$ 2,300	0%	\$ 4,300	0%
All Other Fees	\$ 0	0%	\$ 0	0%
<b>Total Fees</b>	<b>\$ 25,550</b>	<b>0%</b>	<b>\$ 39,300</b>	<b>0%</b>

PWC billed the Registrant aggregate non-audit fees of \$6,300 for the fiscal year ended February 28, 2011, and \$4,300 for the fiscal year ended October 31, 2010, for non-audit services rendered to the Registrant.

(1) With respect to the provision of non-audit services, the pre-approval requirement is waived pursuant to a de minimis exception if (i) such services were not recognized as non-audit services by the Registrant at the time of engagement, (ii) the aggregate amount of all such services provided is no more than 5% of the aggregate audit and non-audit fees paid by the Registrant to PWC during a fiscal year; and (iii) such services are promptly brought to the attention of the Registrant s Audit Committee and approved by the Registrant s Audit Committee prior to the completion of the audit.

(2) Audit-Related fees for the fiscal year end February 28, 2011 includes fees billed for agreed upon procedures related to auction rate preferred securities.

- (3) Tax fees for the fiscal year end February 28, 2011 includes fees billed for reviewing tax returns. Tax fees for the fiscal year end October 31, 2010 includes fees billed for reviewing tax returns.
-

**Fees Billed by PWC Related to Invesco and Invesco Affiliates**

PWC billed Invesco Advisers, Inc. ( Invesco ), the Registrant's adviser, and any entity controlling, controlled by or under common control with Invesco that provides ongoing services to the Registrant ( Invesco Affiliates ) aggregate fees for pre-approved non-audit services rendered to Invesco and Invesco Affiliates for the last two fiscal years as follows:

	Fees Billed for Non- Audit Services Rendered to Invesco and Invesco Affiliates for fiscal year end 2/28/2011 That Were Required to be Pre-Approved by the Registrant's Audit Committee	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 2/28/2011 Pursuant to Waiver of Pre-Approval Requirement <sup>(1)</sup>	Fees Billed for Non- Audit Services Rendered to Invesco and Invesco Affiliates for fiscal year end 10/31/2010 That Were Required to be Pre-Approved by the Registrant's Audit Committee	Percentage of Fees Billed Applicable to Non-Audit Services Provided for fiscal year end 10/31/2010 Pursuant to Waiver of Pre-Approval Requirement <sup>(1)</sup>
Audit-Related Fees	\$ 0	0%	\$ 0	0%
Tax Fees	\$ 0	0%	\$ 0	0%
All Other Fees	\$ 0	0%	\$ 0	0%
Total Fees <sup>(2)</sup>	\$ 0	0%	\$ 0	0%

- (1) With respect to the provision of non-audit services, the pre-approval requirement is waived pursuant to a de minimis exception if (i) such services were not recognized as non-audit services by the Registrant at the time of engagement, (ii) the aggregate amount of all such services provided is no more than 5% of the aggregate audit and non-audit fees paid by the Registrant, Invesco and Invesco Affiliates to PWC during a fiscal year; and (iii) such services are promptly brought to the attention of the Registrant's Audit Committee and approved by the Registrant's Audit Committee prior to the completion of the audit.
- (2) Including the fees for services not required to be pre-approved by the registrant's audit committee, PWC billed Invesco and Invesco Affiliates aggregate non-audit fees of \$0 for the fiscal year ended February 28, 2011, and \$0 for the fiscal year ended October 31, 2010, for non-audit services rendered to Invesco and Invesco Affiliates.

The Audit Committee also has considered whether the provision of non-audit services that were rendered to Invesco and Invesco Affiliates that were not required to be pre-approved pursuant to SEC regulations, if any, is compatible with maintaining PWC's independence. To the extent that such services were provided, the Audit Committee determined that the provision of such services is compatible with PWC maintaining independence with respect to the Registrant.



**PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES  
POLICIES AND PROCEDURES**

As adopted by the Audit Committees of  
the Invesco Funds (the Funds )  
Last Amended May 4, 2010

***Statement of Principles***

Under the Sarbanes-Oxley Act of 2002 and rules adopted by the Securities and Exchange Commission ( SEC ) ( Rules ), the Audit Committees of the Funds (the Audit Committees ) Board of Trustees (the Board ) are responsible for the appointment, compensation and oversight of the work of independent accountants (an Auditor ). As part of this responsibility and to assure that the Auditor s independence is not impaired, the Audit Committees pre-approve the audit and non-audit services provided to the Funds by each Auditor, as well as all non-audit services provided by the Auditor to the Funds investment adviser and to affiliates of the adviser that provide ongoing services to the Funds ( Service Affiliates ) if the services directly impact the Funds operations or financial reporting. The SEC Rules also specify the types of services that an Auditor may not provide to its audit client. The following policies and procedures comply with the requirements for pre-approval and provide a mechanism by which management of the Funds may request and secure pre-approval of audit and non-audit services in an orderly manner with minimal disruption to normal business operations.

Proposed services either may be pre-approved without consideration of specific case-by-case services by the Audit Committees ( general pre-approval ) or require the specific pre-approval of the Audit Committees ( specific pre-approval ). As set forth in these policies and procedures, unless a type of service has received general pre-approval, it will require specific pre-approval by the Audit Committees. Additionally, any fees exceeding 110% of estimated pre-approved fee levels provided at the time the service was pre-approved will also require specific approval by the Audit Committees before payment is made. The Audit Committees will also consider the impact of additional fees on the Auditor s independence when determining whether to approve any additional fees for previously pre-approved services.

The Audit Committees will annually review and generally pre-approve the services that may be provided by each Auditor without obtaining specific pre-approval from the Audit Committee generally on an annual basis. The term of any general pre-approval runs from the date of such pre-approval through September 30<sup>th</sup> of the following year, unless the Audit Committees consider a different period and state otherwise. The Audit Committees will add to or subtract from the list of general pre-approved services from time to time, based on subsequent determinations.

The purpose of these policies and procedures is to set forth the guidelines to assist the Audit Committees in fulfilling their responsibilities.

***Delegation***

The Audit Committees may from time to time delegate pre-approval authority to one or more of its members who are Independent Trustees. All decisions to pre-approve a service by a delegated member shall be reported to the Audit Committees at the next quarterly meeting.

***Audit Services***

The annual audit services engagement terms will be subject to specific pre-approval of the Audit Committees. Audit services include the annual financial statement audit and other procedures such as tax provision work that is required to be performed by the independent auditor to be able to form an opinion on the Funds financial statements. The Audit Committees will obtain, review and consider sufficient information concerning the proposed Auditor to make a reasonable evaluation of the Auditor s qualifications and independence.

In addition to the annual Audit services engagement, the Audit Committees may grant either general or specific pre-approval of other audit services, which are those services that only the independent auditor reasonably can provide. Other Audit services may include services such as issuing consents for the inclusion of audited financial statements with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings.

### ***Non-Audit Services***

The Audit Committees may provide either general or specific pre-approval of any non-audit services to the Funds and its Service Affiliates if the Audit Committees believe that the provision of the service will not impair the independence of the Auditor, is consistent with the SEC's Rules on auditor independence, and otherwise conforms to the Audit Committees' general principles and policies as set forth herein.

### **Audit-Related Services**

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Fund's financial statements or that are traditionally performed by the independent auditor. Audit-related services include, among others, accounting consultations related to accounting, financial reporting or disclosure matters not classified as Audit services; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; and agreed-upon procedures related to mergers, compliance with ratings agency requirements and interfund lending activities.

### **Tax Services**

Tax services include, but are not limited to, the review and signing of the Funds' federal tax returns, the review of required distributions by the Funds and consultations regarding tax matters such as the tax treatment of new investments or the impact of new regulations. The Audit Committees will scrutinize carefully the retention of the Auditor in connection with a transaction initially recommended by the Auditor, the major business purpose of which may be tax avoidance or the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committees will consult with the Funds' Treasurer (or his or her designee) and may consult with outside counsel or advisors as necessary to ensure the consistency of Tax services rendered by the Auditor with the foregoing policy.

No Auditor shall represent any Fund or any Service Affiliate before a tax court, district court or federal court of claims.

Under rules adopted by the Public Company Accounting Oversight Board and approved by the SEC, in connection with seeking Audit Committees' pre-approval of permissible Tax services, the Auditor shall:

1. Describe in writing to the Audit Committees, which writing may be in the form of the proposed engagement letter:
  - a. The scope of the service, the fee structure for the engagement, and any side letter or amendment to the engagement letter, or any other agreement between the Auditor and the Fund, relating to the service; and
  - b. Any compensation arrangement or other agreement, such as a referral agreement, a referral fee or fee-sharing arrangement, between the Auditor and any person (other than the Fund) with respect to the promoting, marketing, or recommending of a transaction covered by the service;
2. Discuss with the Audit Committees the potential effects of the services on the independence of the Auditor; and
3. Document the substance of its discussion with the Audit Committees.

### **All Other Auditor Services**

The Audit Committees may pre-approve non-audit services classified as All other services that are not categorically prohibited by the SEC, as listed in Exhibit 1 to this policy.

### **Pre-Approval Fee Levels or Established Amounts**

Pre-approval of estimated fees or established amounts for services to be provided by the Auditor under general or specific pre-approval policies will be set periodically by the Audit Committees. Any proposed fees exceeding 110% of the maximum estimated pre-approved fees or established amounts for pre-approved audit and non-audit services will be reported to the Audit Committees at the quarterly Audit Committees meeting and will require specific approval by the Audit Committees before payment is made. The Audit Committees will always factor

in the overall relationship of fees for audit and non-audit services in determining whether to pre-approve any such services and in determining whether to approve any additional fees exceeding 110% of the maximum pre-approved fees or established amounts for previously pre-approved services.

**Procedures**

Generally on an annual basis, Invesco Advisers, Inc. ( Invesco ) will submit to the Audit Committees for general pre-approval, a list of non-audit services that the Funds or Service Affiliates of the Funds may request from the Auditor. The list will describe the non-audit services in reasonable detail and will include an estimated range of fees and such other information as the Audit Committee may request.

Each request for services to be provided by the Auditor under the general pre-approval of the Audit Committees will be submitted to the Funds' Treasurer (or his or her designee) and must include a detailed description of the services to be rendered. The Treasurer or his or her designee will ensure that such services are included within the list of services that have received the general pre-approval of the Audit Committees. The Audit Committees will be informed at the next quarterly scheduled Audit Committees meeting of any such services for which the Auditor rendered an invoice and whether such services and fees had been pre-approved and if so, by what means.

Each request to provide services that require specific approval by the Audit Committees shall be submitted to the Audit Committees jointly by the Fund's Treasurer or his or her designee and the Auditor, and must include a joint statement that, in their view, such request is consistent with the policies and procedures and the SEC Rules.

Each request to provide tax services under either the general or specific pre-approval of the Audit Committees will describe in writing: (i) the scope of the service, the fee structure for the engagement, and any side letter or amendment to the engagement letter, or any other agreement between the Auditor and the audit client, relating to the service; and (ii) any compensation arrangement or other agreement between the Auditor and any person (other than the audit client) with respect to the promoting, marketing, or recommending of a transaction covered by the service. The Auditor will discuss with the Audit Committees the potential effects of the services on the Auditor's independence and will document the substance of the discussion.

Non-audit services pursuant to the *de minimis* exception provided by the SEC Rules will be promptly brought to the attention of the Audit Committees for approval, including documentation that each of the conditions for this exception, as set forth in the SEC Rules, has been satisfied.

On at least an annual basis, the Auditor will prepare a summary of all the services provided to any entity in the investment company complex as defined in section 2-01(f)(14) of Regulation S-X in sufficient detail as to the nature of the engagement and the fees associated with those services.

The Audit Committees have designated the Funds' Treasurer to monitor the performance of all services provided by the Auditor and to ensure such services are in compliance with these policies and procedures. The Funds' Treasurer will report to the Audit Committees on a periodic basis as to the results of such monitoring. Both the Funds' Treasurer and management of Invesco will immediately report to the chairman of the Audit Committees any breach of these policies and procedures that comes to the attention of the Funds' Treasurer or senior management of Invesco.

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**Exhibit 1 to Pre-Approval of Audit and Non-Audit Services Policies and Procedures**

**Conditionally Prohibited Non-Audit Services (not prohibited if the Fund can reasonably conclude that the results of the service would not be subject to audit procedures in connection with the audit of the Fund's financial statements)**

**Bookkeeping or other services related to the accounting records or financial statements of the audit client**

**Financial information systems design and implementation**

**Appraisal or valuation services, fairness opinions, or contribution-in-kind reports**

**Actuarial services**

**Internal audit outsourcing services**

**Categorically Prohibited Non-Audit Services**

**Management functions**

**Human resources**

**Broker-dealer, investment adviser, or investment banking services**

**Legal services**

**Expert services unrelated to the audit**

**Any service or product provided for a contingent fee or a commission**

**Services related to marketing, planning, or opining in favor of the tax treatment of confidential transactions or aggressive tax position transactions, a significant purpose of which is tax avoidance**

**Tax services for persons in financial reporting oversight roles at the Fund**

**Any other service that the Public Company Oversight Board determines by regulation is impermissible.**

**ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.**

- (a) The registrant has a separately-designed standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. Members of the audit committee are: David C. Arch, Frank S. Bayley, James T. Bunch, Bruce L. Crockett, Rodney Dammeyer, Larry Soll and Raymond Stickel, Jr.

- (b) Not applicable.

**ITEM 6. SCHEDULE OF INVESTMENTS.**

Investments in securities of unaffiliated issuers is included as part of the reports to stockholders filed under Item 1 of this Form.

**ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.**



**I.1. PROXY POLICIES AND PROCEDURES INSTITUTIONAL**

<b>Applicable to</b>	Institutional Accounts
<b>Risk Addressed by Policy</b>	breach of fiduciary duty to client under Investment Advisers Act of 1940 by placing Invesco personal interests ahead of client best economic interests in voting proxies
<b>Relevant Law and Other Sources</b>	Investment Advisers Act of 1940
<b>Last Tested Date</b>	
<b>Policy/Procedure Owner</b>	Advisory Compliance, Proxy Committee
<b>Policy Approver</b>	Invesco Risk Management Committee
<b>Approved/Adopted Date</b>	January 1, 2010

The following policies and procedures apply to all institutional accounts, clients and funds managed by Invesco Advisers, Inc. ( Invesco ). These policies and procedures do not apply to any of the retail funds managed by Invesco. See Section I.2 for the proxy policies and procedures applicable to Invesco's retail funds.

**A. POLICY STATEMENT**

Invesco has responsibility for making investment decisions that are in the best interests of its clients. As part of the investment management services it provides to clients, Invesco may be authorized by clients to vote proxies appurtenant to the shares for which the clients are beneficial owners.

Invesco believes that it has a duty to manage clients' assets in the best economic interests of its clients and that the ability to vote proxies is a client asset.

Invesco reserves the right to amend its proxy policies and procedures from time to time without prior notice to its clients.

**Voting of Proxies**

Invesco will vote client proxies relating to equity securities in accordance with the procedures set forth below unless a non-ERISA client retains in writing the right to vote, the named fiduciary (e.g., the plan sponsor) of an ERISA client retains in writing the right to direct the plan trustee or a third party to vote proxies, or Invesco determines that any benefit the client might gain from voting a proxy

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would be outweighed by the costs associated therewith. In addition, due to the distinct nature of proxy voting for interests in fixed income assets and stable value wrap agreements, the proxies for such fixed income assets and stable value wrap agreements will be voted in accordance with the procedures set forth in the Proxy Voting for Fixed Income Assets and Stable Value Wrap Agreements section below.

**Best Economic Interests of Clients**

In voting proxies, Invesco will take into consideration those factors that may affect the value of the security and will vote proxies in a manner in which, in its opinion, is in the best economic interests of clients. Invesco endeavors to resolve any conflicts of interest exclusively in the best economic interests of clients.

**B. OPERATING PROCEDURES AND RESPONSIBLE PARTIES**

**RiskMetrics Services**

Invesco has contracted with RiskMetrics Group ( RiskMetrics, formerly known as ISS), an independent third party service provider, to vote Invesco's clients' proxies according to RiskMetrics' proxy voting recommendations determined by RiskMetrics pursuant to its then-current US Proxy Voting Guidelines, a summary of which can be found at <http://www.riskmetrics.com> and which are deemed to be incorporated herein. In addition, RiskMetrics will provide proxy analyses, vote recommendations, vote execution and record-keeping services for clients for which Invesco has proxy voting responsibility. On an annual basis, the Proxy Committee will review information obtained from RiskMetrics to ascertain whether RiskMetrics (i) has the capacity and competency to adequately analyze proxy issues, and (ii) can make such recommendations in an impartial manner and in the best economic interests of Invesco's clients. This may include a review of RiskMetrics' Policies, Procedures and Practices Regarding Potential Conflicts of Interest and obtaining information about the work RiskMetrics does for corporate issuers and the payments RiskMetrics receives from such issuers.

Custodians forward to RiskMetrics proxy materials for clients who rely on Invesco to vote proxies. RiskMetrics is responsible for exercising the voting rights in accordance with the RiskMetrics proxy voting guidelines. If Invesco receives proxy materials in connection with a client's account where the client has, in writing, communicated to Invesco that the client, plan fiduciary or other third party has reserved the right to vote proxies, Invesco will forward to the party appointed by client any proxy materials it receives with respect to the account. In order to avoid voting proxies in circumstances where Invesco, or any of its affiliates have or may have any conflict of interest, real or perceived, Invesco has engaged RiskMetrics to provide the proxy analyses, vote recommendations and voting of proxies.

In the event that (i) RiskMetrics recuses itself on a proxy voting matter and makes no recommendation or (ii) Invesco decides to override the RiskMetrics vote recommendation, the Proxy Committee will review the issue and direct RiskMetrics how to vote the proxies as described below.

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**Proxy Voting for Fixed Income Assets and Stable Value Wrap Agreements**

Some of Invesco's fixed income clients hold interests in preferred stock of companies and some of Invesco's stable value clients are parties to wrap agreements. From time to time, companies that have issued preferred stock or that are parties to wrap agreements request that Invesco's clients vote proxies on particular matters. RiskMetrics does not currently provide proxy analysis or vote recommendations with respect to such proxy votes. Therefore, when a particular matter arises in this category, the investment team responsible for the particular mandate will review the matter and make a recommendation to the Proxy Manager as to how to vote the associated proxy. The Proxy Manager will complete the proxy ballots and send the ballots to the persons or entities identified in the ballots.

**Proxy Committee**

The Proxy Committee shall have seven (7) members, which shall include representatives from portfolio management, operations, and legal/compliance or other functional departments as deemed appropriate and who are knowledgeable regarding the proxy process. A majority of the members of the Proxy Committee shall constitute a quorum and the Proxy Committee shall act by a majority vote of those members in attendance at a meeting called for the purpose of determining how to vote a particular proxy. The Proxy Committee shall keep minutes of its meetings that shall be kept with the proxy voting records of Invesco. The Proxy Committee will appoint a Proxy Manager to manage the proxy voting process, which includes the voting of proxies and the maintenance of appropriate records.

The Proxy Manager shall call for a meeting of the Proxy Committee (1) when override submissions are made; and (2) in instances when RiskMetrics has recused itself or has not provided a vote recommendation with respect to an equity security. At such meeting, the Proxy Committee shall determine how proxies are to be voted in accordance with the factors set forth in the section entitled "Best Economic Interests of Clients," above.

The Proxy Committee also is responsible for monitoring adherence to these procedures and engaging in the annual review described in the section entitled "RiskMetrics Services," above.

**Recusal by RiskMetrics or Failure of RiskMetrics to Make a Recommendation**

When RiskMetrics does not make a recommendation on a proxy voting issue or recuses itself due to a conflict of interest, the Proxy Committee will review the issue and determine whether Invesco has a material conflict of interest as determined pursuant to the policies and procedures outlined in the "Conflicts of Interest" section below. If Invesco determines it does not have a material conflict of interest, Invesco will direct RiskMetrics how to vote the proxies. If Invesco determines it does have a material conflict of interest, the Proxy Committee will follow the policies and procedures set forth in such section.

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**Override of RiskMetrics Recommendation**

There may be occasions where Invesco investment personnel, senior officers or a member of the Proxy Committee seek to override a RiskMetrics recommendation if they believe that a RiskMetrics recommendation is not in accordance with the best economic interests of clients. In the event that an individual listed above in this section disagrees with a RiskMetrics recommendation on a particular voting issue, the individual shall document in writing the reasons that he/she believes that the RiskMetrics recommendation is not in accordance with clients' best economic interests and submit such written documentation to the Proxy Manager for consideration by the Proxy Committee along with the certification attached as Appendix A hereto. Upon review of the documentation and consultation with the individual and others as the Proxy Committee deems appropriate, the Proxy Committee may make a determination to override the RiskMetrics voting recommendation if the Committee determines that it is in the best economic interests of clients and the Committee has addressed any conflict of interest.

**Proxy Committee Meetings**

When a Proxy Committee Meeting is called, whether because of a RiskMetrics recusal or request for override of a RiskMetrics recommendation, the Proxy Committee shall request from the Chief Compliance Officer as to whether any Invesco person has reported a conflict of interest.

The Proxy Committee shall review the report from the Chief Compliance Officer to determine whether a real or perceived conflict of interest exists, and the minutes of the Proxy Committee shall:

- (1) describe any real or perceived conflict of interest,
- (2) determine whether such real or perceived conflict of interest is material,
- (3) discuss any procedure used to address such conflict of interest,
- (4) report any contacts from outside parties (other than routine communications from proxy solicitors), and
- (5) include confirmation that the recommendation as to how the proxies are to be voted is in the best economic interests of clients and was made without regard to any conflict of interest.

Based on the above review and determinations, the Proxy Committee will direct RiskMetrics how to vote the proxies as provided herein.

**Certain Proxy Votes May Not Be Cast**

In some cases, Invesco may determine that it is not in the best economic interests of clients to vote proxies. For example, proxy voting in certain countries outside

the United States requires share blocking. Shareholders who wish to vote their proxies must deposit their shares 7 to 21 days before the date of the meeting with a designated depository. During the blocked period, shares to be voted at the meeting cannot be sold until the meeting has taken place and the shares have been returned to the Custodian/Sub-Custodian bank. In addition, voting certain international securities may involve unusual costs to clients, some of which may be related to requirements of having a representative in person attend the proxy meeting. In other cases, it may not be possible to vote certain proxies despite good faith efforts to do so, for instance when inadequate notice of the matter is provided. In the instance of loan securities, voting of proxies typically requires termination of the loan, so it is not usually in the best economic interests of clients to vote proxies on loaned securities. Invesco typically will not, but reserves the right to, vote where share blocking restrictions, unusual costs or other barriers to efficient voting apply. Invesco will not vote if it determines that the cost of voting exceeds the expected benefit to the client. The Proxy Manager shall record the reason for any proxy not being voted, which record shall be kept with the proxy voting records of Invesco.

### **CONFLICTS OF INTEREST**

#### **Procedures to Address Conflicts of Interest and Improper Influence**

In order to avoid voting proxies in circumstances where Invesco or any of its affiliates have or may have any conflict of interest, real or perceived, Invesco has contracted with RiskMetrics to provide proxy analyses, vote recommendations and voting of proxies. Unless noted otherwise by RiskMetrics, each vote recommendation provided by RiskMetrics to Invesco shall include a representation from RiskMetrics that RiskMetrics has no conflict of interest with respect to the vote. In instances where RiskMetrics has recused itself or makes no recommendation on a particular matter, or if an override submission is requested, the Proxy Committee shall determine how to vote the proxy and instruct the Proxy Manager accordingly, in which case the conflict of interest provisions discussed below shall apply.

In effecting the policy of voting proxies in the best economic interests of clients, there may be occasions where the voting of such proxies may present a real or perceived conflict of interest between Invesco, as the investment manager, and Invesco's clients. For each director, officer and employee of Invesco ( Invesco person ), the interests of Invesco's clients must come first, ahead of the interest of Invesco and any Invesco person, including Invesco's affiliates. Accordingly, no Invesco person may put personal benefit, whether tangible or intangible, before the interests of clients of Invesco or otherwise take advantage of the relationship with Invesco's clients. Personal benefit includes any intended benefit for oneself or any other individual, company, group or organization of any kind whatsoever, except a benefit for a client of Invesco, as appropriate. It is imperative that each Invesco person avoid any situation that might compromise, or call into question, the exercise of fully independent judgment that is in the interests of Invesco's clients.

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Occasions may arise where a person or organization involved in the proxy voting process may have a conflict of interest. A conflict of interest may exist if Invesco has a business relationship with (or is actively soliciting business from) either the company soliciting the proxy or a third party that has a material interest in the outcome of a proxy vote or that is actively lobbying for a particular outcome of a proxy vote. Additional examples of situations where a conflict may exist include:

**Business Relationships** where Invesco manages money for a company or an employee group, manages pension assets or is actively soliciting any such business, or leases office space from a company;

**Personal Relationships** where an Invesco person has a personal relationship with other proponents of proxy proposals, participants in proxy contests, corporate directors, or candidates for directorships; and

**Familial Relationships** where an Invesco person has a known familial relationship relating to a company (e.g. a spouse or other relative who serves as a director of a public company or is employed by the company).

In the event that the Proxy Committee determines that Invesco (or an affiliate) has a material conflict of interest, the Proxy Committee will not take into consideration the relationship giving rise to the conflict of interest and shall, in its sole discretion, either (a) decide to vote the proxies pursuant to RiskMetrics' general proxy voting guidelines, (b) engage an independent third party to provide a vote recommendation, or (c) contact Invesco's client(s) for direction as to how to vote the proxies.

In the event an Invesco person has a conflict of interest and has knowledge of such conflict of interest, it is the responsibility of such Invesco person to disclose the conflict to the Chief Compliance Officer. When a Proxy Committee meeting is called, the Chief Compliance Officer will report to the Proxy Committee all real or potential conflicts of interest for the Proxy Committee to review and determine whether such conflict is material. If the Proxy Committee determines that such conflict is material and involves a person involved in the proxy voting process, the Proxy Committee may require such person to recuse himself or herself from participating in the discussions regarding the proxy vote item and from casting a vote regarding how Invesco should vote such proxy. An Invesco person will not be considered to have a material conflict of interest if the Invesco person did not know of the conflict of interest and did not attempt to influence the outcome of a proxy vote.

In order to ensure compliance with these procedures, the Proxy Manager and each member of the Proxy Committee shall certify annually as to their compliance with this policy. In addition, any Invesco person who submits a RiskMetrics override recommendation to the Proxy Committee shall certify as to their compliance with this policy concurrently with the submission of their override recommendation. A form of such certification is attached as Appendix A.

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In addition, members of the Proxy Committee must notify Invesco's Chief Compliance Officer, with impunity and without fear of retribution or retaliation, of any direct, indirect or perceived improper influence exerted by any Invesco person or by an affiliated company's representatives with regard to how Invesco should vote proxies. The Chief Compliance Officer will investigate the allegations and will report his or her findings to the Invesco Risk Management Committee. In the event that it is determined that improper influence was exerted, the Risk Management Committee will determine the appropriate action to take, which actions may include, but are not limited to, (1) notifying the affiliated company's Chief Executive Officer, its Management Committee or Board of Directors, (2) taking remedial action, if necessary, to correct the result of any improper influence where clients have been harmed, or (3) notifying the appropriate regulatory agencies of the improper influence and cooperating fully with these regulatory agencies as required. In all cases, the Proxy Committee shall not take into consideration the improper influence in determining how to vote proxies and will vote proxies solely in the best economic interests of clients.

### **C. RECORDKEEPING**

Records are maintained in accordance with Invesco's Recordkeeping Policy.

#### **Proxy Voting Records**

The proxy voting statements and records will be maintained by the Proxy Manager on-site (or accessible via an electronic storage site of RiskMetrics) for the first two (2) years. Copies of the proxy voting statements and records will be maintained for an additional five (5) years by Invesco (or will be accessible via an electronic storage site of RiskMetrics). Clients may obtain information about how Invesco voted proxies on their behalf by contacting their client services representative. Alternatively, clients may make a written request for proxy voting information to: Proxy Manager, 1555 Peachtree Street, N.E., Atlanta, Georgia 30309.

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**APPENDIX A**

**ACKNOWLEDGEMENT AND CERTIFICATION**

I acknowledge that I have read the Invesco Proxy Voting Policy (a copy of which has been supplied to me, which I will retain for future reference) and agree to comply in all respects with the terms and provisions thereof. I have disclosed or reported all real or potential conflicts of interest to the Invesco Chief Compliance Officer and will continue to do so as matters arise. I have complied with all provisions of this Policy.

Print Name

Date

Signature

I.1 Proxy Policy Appendix A

Acknowledgement and Certification

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**ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.**

The following individuals are jointly and primarily responsible for the day-to-day management of the Trust:

Thomas Byron, Portfolio Manager, who has been responsible for the Trust since 2009 and has been associated with Invesco and/or its affiliates since 2010. From 1981 to 2010, Mr. Byron was associated with Morgan Stanley Investment Advisors Inc. in an investment management capacity.

Robert Stryker, Portfolio Manager, who has been responsible for the Trust since 2009 and has been associated with Invesco and/or its affiliates since 2010. From 1994 to 2010, Mr. Stryker was associated with Morgan Stanley Investment Advisors Inc. in an investment management capacity.

Robert Wimmel, Portfolio Manager, who has been responsible for the Trust since 2009 and has been associated with Invesco and/or its affiliates since 2010. From 1996 to 2010, Mr. Wimmel was associated with Morgan Stanley Investment Advisors Inc. in an investment management capacity.

***Portfolio Manager Fund Holdings and Information on Other Managed Accounts***

Invesco's portfolio managers develop investment models which are used in connection with the management of certain Invesco Funds as well as other mutual funds for which Invesco or an affiliate acts as sub-adviser, other pooled investment vehicles that are not registered mutual funds, and other accounts managed for organizations and individuals. The following chart reflects the portfolio managers' investments in the Funds that they manage. The chart also reflects information regarding accounts other than the Funds for which each portfolio manager has day-to-day management responsibilities. Accounts are grouped into three categories: (i) other registered investment companies, (ii) other pooled investment vehicles and (iii) other accounts. To the extent that any of these accounts pay advisory fees that are based on account performance (performance-based fees), information on those accounts is specifically broken out. In addition, any assets denominated in foreign currencies have been converted into U.S. Dollars using the exchange rates as of the applicable date.

The following information is as of February 28, 2011:

Portfolio Manager	Dollar Range of Investments in Each Fund <sup>1</sup>	Other Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
		Managed (assets in millions)	Number of Accounts	Managed (assets in millions)	Number of Accounts	Managed (assets in millions)	Number of Accounts
<b>Invesco Quality Municipal Securities</b>							
Thomas Byron	None	28	\$10,533.1	None	None	None	None
Robert Stryker	None	33	\$11,240.8	None	None	None	None
Robert Wimmel	None	29	\$11,159.0	None	None	None	None

***Potential Conflicts of Interest***

Actual or apparent conflicts of interest may arise when a portfolio manager has day-to-day management responsibilities with respect to more than one Fund or other account. More specifically, portfolio managers who manage multiple Funds and/or other accounts may be presented with one or more of the following potential conflicts:

<sup>1</sup> This column reflects investments in a Fund's shares owned directly by a portfolio manager or beneficially owned by a portfolio manager (as determined in accordance with Rule 16a-1(a) (2) under the Securities Exchange Act of

1934, as amended). A portfolio manager is presumed to be a beneficial owner of securities that are held by his or her immediate family members sharing the same household.

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- Ø The management of multiple Funds and/or other accounts may result in a portfolio manager devoting unequal time and attention to the management of each Fund and/or other account. The Adviser and each Sub-Adviser seek to manage such competing interests for the time and attention of portfolio managers by having portfolio managers focus on a particular investment discipline. Most other accounts managed by a portfolio manager are managed using the same investment models that are used in connection with the management of the Funds.
- Ø If a portfolio manager identifies a limited investment opportunity which may be suitable for more than one Fund or other account, a Fund may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible Funds and other accounts. To deal with these situations, the Adviser, each Sub-Adviser and the Funds have adopted procedures for allocating portfolio transactions across multiple accounts.
- Ø The Adviser and each Sub-Adviser determine which broker to use to execute each order for securities transactions for the Funds, consistent with its duty to seek best execution of the transaction. However, for certain other accounts (such as mutual funds for which Invesco or an affiliate acts as sub-adviser, other pooled investment vehicles that are not registered mutual funds, and other accounts managed for organizations and individuals), the Adviser and each Sub-Adviser may be limited by the client with respect to the selection of brokers or may be instructed to direct trades through a particular broker. In these cases, trades for a Fund in a particular security may be placed separately from, rather than aggregated with, such other accounts. Having separate transactions with respect to a security may temporarily affect the market price of the security or the execution of the transaction, or both, to the possible detriment of the Fund or other account(s) involved.
- Ø Finally, the appearance of a conflict of interest may arise where the Adviser or Sub-Adviser has an incentive, such as a performance-based management fee, which relates to the management of one Fund or account but not all Funds and accounts for which a portfolio manager has day-to-day management responsibilities.
- The Adviser, each Sub-Adviser, and the Funds have adopted certain compliance procedures which are designed to address these types of conflicts. However, there is no guarantee that such procedures will detect each and every situation in which a conflict arises.

***Description of Compensation Structure***

***For the Adviser and each affiliated Sub-Adviser***

The Adviser and each Sub-Adviser seek to maintain a compensation program that is competitively positioned to attract and retain high-caliber investment professionals. Portfolio managers receive a base salary, an incentive bonus opportunity and an equity compensation opportunity. Portfolio manager compensation is reviewed and may be modified each year as appropriate to reflect changes in the market, as well as to adjust the factors used to determine bonuses to promote competitive Fund performance. The Adviser and each Sub-Adviser evaluate competitive market compensation by reviewing compensation survey results conducted by an independent third party of investment industry compensation. Each portfolio manager's compensation consists of the following three elements:

***Base Salary.*** Each portfolio manager is paid a base salary. In setting the base salary, the Adviser and each Sub-Adviser's intention is to be competitive in light of the particular portfolio manager's experience and responsibilities.

***Annual Bonus.*** The portfolio managers are eligible, along with other employees of the Adviser and each Sub-Adviser, to participate in a discretionary year-end bonus pool. The Compensation Committee of Invesco Ltd. reviews and approves the amount of the bonus pool available for the Adviser and each of the Sub-Adviser's investment centers. The Compensation Committee considers investment performance and financial results in its review. In addition, while having no direct impact on individual bonuses, assets under management are considered when determining the starting bonus funding levels. Each portfolio manager is eligible to receive an annual cash bonus which is based on quantitative (i.e. investment performance) and non-quantitative factors (which may include, but are not limited to, individual performance, risk management and teamwork).

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Each portfolio manager's compensation is linked to the pre-tax investment performance of the Funds/accounts managed by the portfolio manager as described in Table 1 below.

Table 1

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<b>Sub-Adviser</b>	<b>Performance time period<sup>2</sup></b>
Invesco <sup>3,4,5</sup> Invesco Australia Invesco Deutschland	One-, Three- and Five-year performance against Fund peer group.
Invesco Senior Secured	N/A
Invesco Trimark <sup>3</sup>	One-year performance against Fund peer group.  Three- and Five-year performance against entire universe of Canadian funds.
Invesco Hong Kong <sup>3</sup> Invesco Asset Management	One-, Three- and Five-year performance against Fund peer group.
Invesco Japan <sup>6</sup>	One-, Three- and Five-year performance against the appropriate Micropol benchmark.

Invesco Senior Secured's bonus is based on annual measures of equity return and standard tests of collateralization performance.

High investment performance (against applicable peer group and/or benchmarks) would deliver compensation generally associated with top pay in the industry (determined by reference to the third-party provided compensation survey information) and poor investment performance (versus applicable peer group) would result in low bonus compared to the applicable peer group or no bonus at all. These decisions are reviewed and approved collectively by senior leadership which has responsibility for executing the compensation approach across the organization.

*Equity-Based Compensation.* Portfolio managers may be granted an award that allows them to select receipt of shares of certain Invesco Funds with a vesting period as well as common shares and/or restricted shares of Invesco Ltd. stock from pools determined from time to time by the Compensation Committee of Invesco Ltd.'s Board of Directors. Awards of equity-based compensation typically vest over time, so as to create incentives to retain key talent.

Portfolio managers also participate in benefit plans and programs available generally to all employees.

**ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.**

Not applicable.

<sup>2</sup> Rolling time periods based on calendar year-end.

<sup>3</sup> Portfolio Managers may be granted a short-term award that vests on a pro-rata basis over a four year period and final payments are based on the performance of eligible Funds selected by the portfolio manager at the time the award is granted.

<sup>4</sup> Portfolio Managers for Invesco Global Real Estate Fund, Invesco Real Estate Fund, Invesco Select Real Estate Income Fund and Invesco V.I. Global Real Estate Fund base their bonus on new operating profits of the U.S. Real Estate Division of Invesco.

<sup>5</sup> Portfolio Managers for Invesco Balanced Fund, Invesco Basic Balanced Fund, Invesco Basic Value Fund, Invesco Fundamental Value Fund, Invesco Large Cap Basic Value Fund, Invesco Large Cap Relative Value Fund, Invesco Mid Cap Basic Value Fund, Invesco Mid-Cap Value Fund, Invesco U.S. Mid Cap Value Fund, Invesco Value Fund, Invesco Value II Fund, Invesco V.I. Basic Balanced Fund, Invesco V.I. Basic Value Fund,

Invesco V.I. Select Dimensions Balanced Fund, Invesco V.I. Income Builder Fund, Invesco Van Kampen American Value Fund, Invesco Van Kampen Comstock Fund, Invesco Van Kampen Equity and Income Fund, Invesco Van Kampen Growth and Income Fund, Invesco Van Kampen Value Opportunities Fund, Invesco Van Kampen V.I. Comstock Fund, Invesco Van Kampen V.I. Growth and Income Fund, Invesco Van Kampen V.I. Equity and Income Fund, Invesco Van Kampen V.I. Mid Cap Value Fund and Invesco Van Kampen V.I. Value Fund's compensation is based on the one-, three- and five-year performance against the Fund's peer group. Furthermore, for the portfolio manager(s) formerly managing the predecessor funds to the Funds in this footnote 5, they also have a ten-year performance measure.

- <sup>6</sup> Portfolio Managers for Invesco Pacific Growth Fund's compensation is based on the one-, three- and five-year performance against the appropriate Micropol benchmark. Furthermore, for the portfolio manager(s) formerly managing the predecessor fund to Invesco Pacific Growth Fund, they also have a ten-year performance measure.
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ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) As of March 21, 2011, an evaluation was performed under the supervision and with the participation of the officers of the Registrant, including the Principal Executive Officer ( PEO ) and Principal Financial Officer ( PFO ), to assess the effectiveness of the Registrant's disclosure controls and procedures, as that term is defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the Act ), as amended. Based on that evaluation, the Registrant's officers, including the PEO and PFO, concluded that, as of March 21, 2011, the Registrant's disclosure controls and procedures were reasonably designed to ensure: (1) that information required to be disclosed by the Registrant on Form N-CSR is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Registrant is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.
- (b) There have been no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter of the period covered by the report that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

12(a) (1) Not applicable.

12(a) (2) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.

12(a) (3) Not applicable.

12(b) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(b) under the Investment Company Act of 1940.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.  
Registrant: Invesco Quality Municipal Securities

By: /s/ Philip A. Taylor

Philip A. Taylor  
Principal Executive Officer

Date: May 9, 2011

Pursuant to the requirements of the Securities and Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

By: /s/ Philip A. Taylor

Philip A. Taylor  
Principal Executive Officer

Date: May 9, 2011

By: /s/ Sheri Morris

Sheri Morris  
Principal Financial Officer

Date: May 9, 2011

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EXHIBIT INDEX

- 12(a)(1) Code of Ethics.
- 12(a)(2) Certifications of principal executive officer and principal Financial officer as required by Rule 30a-2(a) under the Investment Company Act of 1940.
- 12(a)(3) Not applicable.
- 12(b) Certifications of principal executive officer and principal financial officer as required by Rule 30a-2(b) under the Investment Company Act of 1940.