

SECURITIES AND EXCHANGE COMMISSION

FORM 485APOS

Post-effective amendments [Rule 485(a)]

Filing Date: **1996-12-30**
SEC Accession No. **0000725781-96-000020**

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FILER

INVESCO STRATEGIC PORTFOLIOS INC

CIK: **725781** | IRS No.: **840933032** | State of Incorporation: **MD** | Fiscal Year End: **1031**
Type: **485APOS** | Act: **33** | File No.: **002-85905** | Film No.: **96688198**

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As filed on December ^ 30, 1996

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form N-1A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 X
Pre-Effective Amendment No. --
Post-Effective Amendment No. ^ 20 X
----- --

REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940 X
Amendment No. ^ 20 X
----- --

INVESCO STRATEGIC PORTFOLIOS, INC.
(Exact Name of Registrant as Specified in Charter)
7800 E. Union Avenue, Denver, Colorado 80237
(Address of Principal Executive Offices)
P.O. Box 173706, Denver, Colorado 80217-3706
(Mailing Address)

Registrant's Telephone Number, including Area Code: (303) 930-6300
Glen A. Payne, Esq.
7800 E. Union Avenue
Denver, Colorado 80237
(Name and Address of Agent for Service)

Copies to:
Ronald M. Feiman, Esq.
Gordon Altman Butowsky
Weitzen Shalov & Wein
114 W. 47th St.
New York, New York 10036

Approximate Date of Proposed Public Offering: As soon as practicable after this post-effective amendment becomes effective.

It is proposed that this filing will become effective (check appropriate box)
immediately upon filing pursuant to paragraph (b)

on _____, pursuant to paragraph (b)

60 days after filing pursuant to paragraph (a)(1)

X on ^ March 1, 1997, pursuant to paragraph (a)(1)

75 days after filing pursuant to paragraph (a)(2)

on _____ pursuant to paragraph (a)(2) of rule 485.

If appropriate, check the following box:

this post-effective amendment designates a new effective date for a
previously filed post-effective amendment.

Registrant has previously elected to register an indefinite number of shares of its common stock pursuant to Rule 24f-2 under the Investment Company Act of 1940. Registrant's Rule 24f-2 Notice for the fiscal year ended October 31, ^ 1996, was filed on or about ^ December 18, 1996.

INVESCO STRATEGIC PORTFOLIOS, INC.

CROSS-REFERENCE SHEET

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6.....	Fund Services ^; Taxes, Dividends and Capital Gain Distributions; Additional Information
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Form N-1A Item -----	Caption -----
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13.....	Investment ^ Policies and Restrictions
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17.....	Investment ^ Policies and Restrictions
18.....	Additional Information
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22.....	Performance Data
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Part C Other Information

Information required to be included in Part C is set forth under the appropriate Item, so numbered, in Part C to this Registration Statement.

PROSPECTUS
^ March 1, 1997

INVESCO STRATEGIC PORTFOLIOS

- Energy
- Environmental Services
- Financial Services
- Gold
- Health Sciences
- Leisure
- Technology
- Utilities

The ^ eight INVESCO Strategic Portfolios (the "Portfolios") described in this prospectus are actively managed to seek capital appreciation. Each Portfolio, which is a separate series of INVESCO Strategic Portfolios, Inc., normally invests 80% or more of its total assets in companies principally engaged in a specific business sector. Most of their holdings are in common stocks, but the Portfolios have the flexibility to invest in other types of securities.

This ^ Prospectus provides you with the basic information you should know before investing in any of the Portfolios. You should read it and keep it for future reference. A Statement of Additional Information containing further information about the Portfolios, dated ^ March 1, 1997, has been filed with the Securities and Exchange Commission, and is incorporated by reference into this prospectus. To obtain a free copy, write to INVESCO Funds Group, Inc., P.O. Box 173706, Denver, Colorado 80217-3706; call 1-800-525-8085; or on the World Wide Web: <http://www.invesco.com>.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. SHARES OF THE FUND ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, ANY BANK OR OTHER FINANCIAL INSTITUTION. THE SHARES OF THE FUND ARE NOT FEDERALLY INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE FEDERAL RESERVE BOARD OR ANY OTHER AGENCY.

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ESSENTIAL INFORMATION

Investment Goal And Strategy. INVESCO Strategic Portfolios, Inc. (the "Fund") is a mutual fund made up of a series of individually managed Portfolios. Each Portfolio described in this prospectus is actively managed to seek capital appreciation and, with respect to the Utilities Portfolio, income. Employing an aggressive investment philosophy, the Portfolios normally invest at least 80% of their total assets in equity securities of companies principally engaged in a specific business sector. There is no guarantee that the Portfolios will meet their investment objective. See "Investment Objective And Strategy" and "Investment Policies And Risks."

Designed For: Investors seeking capital appreciation. While not a complete investment program, one or more of these Portfolios may be a valuable element of your investment portfolio. You also may wish to consider one or more of the Portfolios as part of a Uniform Gift/Trust To Minors Account or systematic investing strategy. The Portfolios may be a suitable investment for many types of retirement programs, including the IRA, SEP-IRA, SARSEP, 401(k), Profit Sharing, Money Purchase Pension, and 403(b) plans.

Time Horizon. Stock prices fluctuate on a daily basis, and each Portfolio's

price per share therefore varies daily. Potential shareholders should consider this a medium- to long-term investment.

Risks. The Portfolios generally use an aggressive investment strategy and may experience relatively rapid portfolio turnover. Because the Portfolios focus on narrow business segments, they may experience greater short-term volatility than more diversified funds. Rapid portfolio turnover may result in higher brokerage commissions and the acceleration of taxable capital gains. The returns on foreign investments may be influenced by currency fluctuations and other risks of investing overseas. These policies make the Fund unsuitable for that portion of your savings dedicated to current income or to preservation of capital over the short-term. See "Investment Objective and Strategy" and "Investment Policies and Risks."

Organization and Management. The Portfolios are series of the Fund, a diversified, managed, no-load mutual fund. Each Portfolio is owned by its shareholders. The Fund employs INVESCO Funds Group, Inc. ("IFG") (founded in 1932) to serve as investment adviser, administrator, distributor, and transfer agent; and INVESCO Trust Company ("INVESCO Trust") (founded in 1969) as investment sub-adviser.

Each Portfolio's investments are selected by its portfolio manager or managers. See "The Fund And Its Management."

IFG and INVESCO Trust (collectively, "Fund Management") are part of a global firm that presently manages approximately \$150 billion. The parent company, AMVESCO PLC, is based in London, with money managers located in Europe, North America, and the Far East. [INVESCO PLC changed its name to AMVESCO PLC on _____, 1997 as part of a merger between INVESCO PLC and

AIM Management Group, Inc. thus creating one of the largest independent investment management businesses in the world. IFG and INVESCO Trust will continue to operate under their existing names.]

The Fund offers all of the following services at no charge:

Telephone purchases

Telephone exchanges

Telephone redemptions

Automatic reinvestment of distributions

Regular investment plans, such as EasiVest (the Fund's automatic monthly investment program), Direct Payroll Purchase and Automatic Monthly Exchange Periodic withdrawal plans

See "How To Buy Shares" and "How To Sell Shares."

Minimum Initial Investment: \$1,000 per Portfolio, which is waived for regular investment plans, including EasiVest and Direct Payroll Purchase, and certain retirement plans.

Minimum Subsequent Investment: \$50 per Portfolio (Minimums are lower for certain retirement plans.)

ANNUAL FUND EXPENSES

The Portfolios whose shares are offered through this Prospectus are the Energy, Environmental Services, Financial Services, Gold, Health Sciences, Leisure, Technology and Utilities Portfolios. These Portfolios are 100% no-load; there are no fees to purchase, exchange or redeem shares, nor any ongoing marketing ("12b-1") expenses. Lower expenses benefit Fund shareholders by increasing the Fund's total return.

Like any company, each Portfolio has operating expenses such as portfolio management, accounting, shareholder servicing, maintenance of shareholder accounts and other expenses. These expenses are paid from each Portfolio's assets. Lower expenses therefore benefit investors by increasing a Portfolio's total return. We calculate annual operating expenses as a percentage of each Portfolio's average annual net assets.

Annual Portfolio Operating Expenses
(as a percentage of average net assets)

Energy Portfolio	
Management Fee	0.75%
12b-1 Fees	None
Other Expenses(1)	^ 0.55%
Total Portfolio Operating Expenses(1)	^ 1.30%
Environmental Services Portfolio	
Management Fee	0.75%
12b-1 Fees	None
Other Expenses (after absorbed ^ expenses) (1) (2)	0.86%
Total Portfolio Operating Expenses (after absorbed ^ expenses) (1) (2)	1.61%
Financial Services Portfolio	
Management Fee	^ 0.73%
12b-1 Fees	None
Other Expenses(1)	^ 0.38%
Total Portfolio Operating Expenses(1)	^ 1.11%
Gold Portfolio	
Management Fee	0.75%
12b-1 Fees	None
Other Expenses(1)	^ 0.47%
Total Portfolio Operating Expenses(1)	^ 1.22%
Health Sciences Portfolio	
Management Fee	^ 0.65%
12b-1 Fees	None
Other Expenses(1)	^ 0.33%
Total Portfolio Operating Expenses(1)	^ 0.98%
Leisure Portfolio	
Management Fee	0.75%
12b-1 Fees	None
Other Expenses(1)	^ 0.55%
Total Portfolio Operating Expenses(1)	^ 1.30%
Technology Portfolio	
Management Fee	^ 0.70%
12b-1 Fees	None
Other Expenses(1)	^ 0.38%
Total Portfolio Operating Expenses(1)	^ 1.08%
^ Utilities Portfolio	
Management Fee	0.75%
12b-1 Fees	None
Other Expenses (after absorbed expenses) (1) (2)	0.42%
Total Portfolio Operating Expenses (after absorbed expenses) (1) (2)	1.17%

(1) It should be noted that the Portfolio's actual total operating expenses were lower than the figures shown because the Portfolio's custodian fees were reduced under an expense offset arrangement. However, as a result of an SEC requirement

for mutual funds to state their total operating expenses without crediting any such expense offset arrangement, the figures shown above do not reflect these reductions. In comparing expenses for different years, please note that the Ratios of Expenses to Average Net Assets shown under "Financial Highlights" do reflect any reductions for periods prior to the fiscal year ended October 31, 1996. See "The Fund and Its Management."

(2) Certain expenses of the Environmental Services ^ and Utilities Portfolios are being absorbed voluntarily by IFG. ^ In the absence of such ^ absorbed expenses, the Environmental Services Portfolio's "Other Expenses" and "Total Portfolio Operating Expenses" would have been 1.10% and 1.85%, respectively; and the Utilities Portfolio's "Other Expenses" and "Total Portfolio Operating Expenses" would have been 0.50% and 1.25%, respectively, based on ^ each Portfolio's actual expenses for the fiscal year ended October 31, ^ 1996.

Example

A shareholder would pay the following expenses on a \$1,000 investment for the periods shown, assuming a hypothetical 5% annual return and redemption at the end of each time period. (Of course, actual operating expenses are paid from each Portfolio's assets^ and are deducted from the amount of income available for distribution to shareholders; they are not charged directly to shareholder accounts.)

	1 Year -----	3 Years -----	5 Years -----	10 Years -----
Energy Portfolio	^ \$13	\$41	\$72	\$158
Environmental Services Portfolio	16	^ 51	88	191
Financial Services Portfolio	^ 11	35	61	136
Gold Portfolio	^ 13	39	67	148
Health Sciences Portfolio	^ 10	31	54	121
Leisure Portfolio	13	41	^ 72	158
Technology Portfolio	11	^ 35	60	132
Utilities Portfolio	12	37	64	142

The purpose of this table is to assist you in understanding the various costs and expenses that you will bear directly or indirectly. THE EXAMPLE SHOULD NOT BE CONSIDERED A REPRESENTATION OF PAST OR FUTURE PERFORMANCE OR EXPENSES, AND ACTUAL ANNUAL RETURNS AND EXPENSES MAY BE GREATER OR LESS THAN THOSE SHOWN. For more information on each Portfolio's expenses, see "The Fund ^ And Its Management" and "How ^ To Buy Shares -- Distribution Expenses."

INVESCO Strategic Portfolios, Inc.
 FINANCIAL HIGHLIGHTS
 (For a Fund Share Outstanding Throughout Each Period)
 Year Ended October 31, 1996

The following information has been audited by Price Waterhouse LLP, independent accountants. This information should be read in conjunction with the audited financial statements and the independent accountant's report thereon appearing in the Fund's ^ 1996 Annual Report to Shareholders, which is incorporated by reference into the Statement of Additional Information. Both are available without charge by contacting IFG at the address or telephone number on the cover of this prospectus. ^

<TABLE>
 <CAPTION>

	Year Ended October 31									
	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Energy Portfolio										
PER SHARE DATA										
Net Asset Value -										
Beginning of Period	\$10.09	\$10.77	\$11.53	\$9.14	\$11.28	\$12.06	\$11.68	\$9.29	\$8.22	\$8.33
INCOME FROM										
INVESTMENT OPERATIONS										
Net Investment Income	0.04	0.09	0.06	0.13	0.05	0.09	0.16	0.20	0.11	0.11
Net Gains or (Losses)										
on Securities (Both										
Realized and Unrealized)	4.94	(0.68)	(0.76)	2.36	(2.17)	(0.76)	0.33	2.43	1.24	0.42
Total from Investment										
Operations	4.98	(0.59)	(0.70)	2.49	(2.12)	(0.67)	0.49	2.63	1.35	0.53
LESS DISTRIBUTIONS										
Dividends from Net										
Investment Income+	0.04	0.09	0.06	0.10	0.02	0.11	0.11	0.24	0.17	0.11
Distributions from										
Capital Gains	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.11	0.53
Total Distributions	0.04	0.09	0.06	0.10	0.02	0.11	0.11	0.24	0.28	0.64
Net Asset Value -										
End of Period	\$15.03	\$10.09	\$10.77	\$11.53	\$9.14	\$11.28	\$12.06	\$11.68	\$9.29	\$8.22
TOTAL RETURN	49.33%	(5.45%)	(6.04%)	27.18%	(18.74%)	(5.55%)	4.18%	28.32%	16.77%	6.31%

RATIOS										
Net Assets - End of Period										
(\$000 Omitted)	\$236,169	\$48,284	\$73,767	\$50,272	\$17,048	\$12,130	\$19,476	\$8,617	\$5,831	\$12,023
Ratio of Expenses to										
Average Net Assets	1.30% [@]	1.53% [@]	1.35%	1.18%	1.73%	1.69%	1.42%	1.75%	1.90%	1.30%
Ratio of Net Investment										
Income to Average										
Net Assets	0.54%	0.72%	0.65%	0.86%	0.32%	0.83%	1.04%	1.73%	0.99%	1.32%
Portfolio Turnover Rate	392%	300%	123%	190%	370%	337%	321%	109%	177%	452%
Average Commission Rate										
Paid^^	\$0.0794	-	-	-	-	-	-	-	-	-

+ Distributions in excess of net investment income for the year ended October 31, 1996, aggregated less than \$0.01 on a per share basis.

@ Ratio is based on Total Expenses of the Portfolio, which is before any expense offset arrangements.

^^ The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold, which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

Financial Highlights (Continued)
(For a Fund Share Outstanding Throughout Each Period)

<TABLE>
<CAPTION>

	Year Ended October 31				Period Ended	
					October 31	
	1996	1995	1994<	1993<	1992	1991^
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Environmental Services Portfolio						
PER SHARE DATA						
Net Asset Value - Beginning of Period	\$8.12	\$6.50	\$6.80	\$7.54	\$8.97	\$8.00
INCOME FROM INVESTMENT OPERATIONS						
Net Investment Income (Loss)	0.06	0.08	0.06	(0.02)	(0.04)	(0.07)
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	2.02	1.62	(0.30)	(0.72)	(1.39)	1.04
Total from Investment Operations	2.08	1.70	(0.24)	(0.74)	(1.43)	0.97
LESS DISTRIBUTIONS						
Dividends from Net Investment Income	0.06	0.08	0.06	0.00	0.00	0.00
Net Asset Value - End of Period	\$10.14	\$8.12	\$6.50	\$6.80	\$7.54	\$8.97
TOTAL RETURN	25.58%	26.09%	(3.51)%	(9.85)%	(15.90)%	12.11%*
RATIOS						
Net Assets - End of Period (\$000 Omitted)	\$26,794	\$22,756	\$29,276	\$40,589	\$17,685	\$8,001
Ratio of Expenses to Average Net Assets#	1.61%@	1.57%@	1.29%	1.62%	1.85%	2.50%~
Ratio of Net Investment Income (Loss) to Average Net Assets#	0.47%	0.65%	0.61%	(0.40)%	(1.23)%	(1.81)%~
Portfolio Turnover Rate	142%	195%	211%	155%	113%	69%*
Average Commission Rate Paid^^	\$0.1639	-	-	-	-	-

</TABLE>

^ From January 2, 1991, commencement of operations, to October 31, 1991.

< The per share information was computed based on weighted average shares.

* ^ Based on operations for the period shown and, accordingly, are not representative of a full year.

Various expenses of the Portfolio were voluntarily absorbed by IFG for the years ended October 31, 1996, 1995 and 1994. If such expenses had not been voluntarily absorbed, ratio of expenses to average net assets would have been 1.85%, 1.93% and 1.43%, respectively, and ratio of net investment income to average net assets would have been 0.23%, 0.29% and 0.47%, respectively.

@ Ratio is based on Total Expenses of the Portfolio, less Expenses Absorbed by Investment Adviser, which is before any expense offset arrangements.

~ Annualized

^^ The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

Financial Highlights (Continued)
(For a Fund Share Outstanding Throughout Each Period)

<TABLE>
<CAPTION>

	Year Ended October 31									
	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Financial Services Portfolio										
PER SHARE DATA										
Net Asset Value -										
Beginning of Period	\$18.95	\$15.31	\$20.28	\$15.28	\$14.67	^ \$7.19	\$9.05	\$7.55	\$6.37	\$7.74
INCOME FROM										
INVESTMENT OPERATIONS										
Net Investment Income (Loss)	0.50	0.29	0.29	0.24	0.20	0.10	(0.01)	0.10	0.12	0.07
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	5.18	3.64	(0.66)	5.00	1.52	7.56	(1.82)	2.30	1.19	(1.26)
Total from Investment Operations	5.68	3.93	(0.37)	5.24	1.72	7.66	(1.83)	2.40	1.31	(1.19)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income In Excess of Net Investment Income										
	0.50	0.29	0.29	0.24	0.20	0.08	0.01	0.09	0.13	0.06
Distributions from Capital Gains	1.14	0.00	4.31	0.00	0.91	0.10	0.02	0.81	0.00	0.12
Total Distributions	1.69	0.29	4.60	0.24	1.11	0.18	0.03	0.90	0.13	0.18
Net Asset Value - End of Period	\$22.94	\$18.95	\$15.31	\$20.28	\$15.28	\$14.67	^ \$7.19	\$9.05	\$7.55	\$6.37
TOTAL RETURN	31.48%	25.80%	(2.24%)	34.33%	11.74%	106.63%	(20.25%)	31.66%	20.69%	(15.37%)

RATIOS										
Net Assets - End of Period (\$000 Omitted)	\$542,688	\$410,048	\$266,170	\$384,131	\$189,708	\$95,144	\$1,315	\$2,208	\$2,322	\$1,194
Ratio of Expenses to Average Net Assets	1.11% [@]	1.26% [@]	1.18%	1.03%	1.07%	1.13%	2.50%	2.50%	1.95%	1.50%
Ratio of Net Investment Income (Loss) to Average Net Assets	2.48%	2.10%	1.66%	1.16%	1.28%	1.76%	(0.16%)	1.05%	1.71%	1.18%
Portfolio Turnover Rate	141%	171%	88%	236%	208%	249%	528%	217%	175%	284%
Average Commission Rate Paid^^	\$0.0835	-	-	-	-	-	-	-	-	-

@ Ratio is based on Total Expenses of the Portfolio, which is before any expense offset arrangements.

^^ The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

Financial Highlights (Continued)
(For a Fund Share Outstanding Throughout Each Period)
<TABLE>

<CAPTION>

Year Ended October 31

	1996	1995	1994	1993<	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Gold Portfolio										
PER SHARE DATA										
Net Asset Value -										
Beginning of Period	^ \$5.21	\$5.68	\$6.23	\$3.99	\$4.26	\$4.29	\$5.29	\$5.03	\$5.60	\$5.08
INCOME FROM										
INVESTMENT OPERATIONS										
Net Investment Income (Loss)	(0.01)	0.01	(0.02)	(0.01)	(0.01)	(0.01)	0.01	0.03	0.03	0.06
Net Gains or (Losses)										
on Securities (Both										
Realized and Unrealized)	2.80	(0.47)	(0.53)	2.25	(0.26)	(0.02)	(1.00)	0.28	(0.58)	0.57
Total from Investment										
Operations	2.79	(0.46)	(0.55)	2.24	(0.27)	(0.03)	(0.99)	0.31	(0.55)	0.63
LESS DISTRIBUTIONS										
Dividends from Net										
Investment Income	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.05	0.02	0.06
Distributions from										
Capital Gains	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05
Total Distributions	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.05	0.02	0.11
Net Asset Value -										
End of Period	^ \$8.00	\$5.21	\$5.68	\$6.23	\$3.99	\$4.26	\$4.29	\$5.29	\$5.03	\$5.60
TOTAL RETURN	53.55%	(8.12%)	(8.83%)	56.27%	(6.51%)	(0.51%)	(18.70%)	6.13%	(9.84%)	12.43%

RATIOS

Net Assets - End of Period										
(\$000 Omitted)	\$277,892	\$151,779	\$271,163	\$292,940	\$46,212	\$46,383	\$35,757	\$34,255	\$32,481	\$37,853
Ratio of Expenses to										
Average Net Assets	1.22% [@]	1.32% [@]	1.07%	1.03%	1.41%	1.47%	1.32%	1.63%	1.58%	1.15%
Ratio of Net Investment										
Income (Loss) to										
Average Net Assets	(0.08%)	0.13%	(0.32%)	(0.21%)	(0.23%)	(0.25%)	0.26%	0.69%	0.62%	0.98%
Portfolio Turnover Rate	155%	72%	97%	142%	101%	43%	107%	77%	47%	124%
Average Commission Rate										
Paid^^	\$0.0415	-	-	-	-	-	-	-	-	-

</TABLE>

< The per share information was computed based on weighted average shares.

[@] Ratio is based on Total Expenses of the Portfolio, which is before any expense offset arrangements.

^{^^} The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

Financial Highlights (Continued)
(For a Fund Share Outstanding Throughout Each Period)

<TABLE>
<CAPTION>

Year Ended October 31

	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Health Sciences Portfolio										
PER SHARE DATA										
Net Asset Value -										
Beginning of Period	\$50.47	\$35.09	\$33.49	\$35.65	\$40.60	\$20.61	\$19.49	\$14.29	\$11.69	\$12.78
INCOME FROM										
INVESTMENT OPERATIONS										
Net Investment Income (Loss)	0.07	(0.03)	(0.24)	(0.13)	0.11	0.14	0.21	0.15	(0.09)	(0.01)
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	8.78	15.41	1.84	(2.02)	(4.52)	23.45	1.32	7.06	2.72	(0.18)
Total from Investment Operations	8.85	15.38	1.60	(2.15)	(4.41)	23.59	1.53	7.21	2.63	(0.19)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income	0.07	0.00	0.00	0.01	0.10	0.12	0.20	0.06	0.00	0.00
Distributions from Capital Gains+	4.01	0.00	0.00	0.00	0.44	3.48	0.21	1.95	0.03	0.90
Total Distributions	4.08	0.00	0.00	0.01	0.54	3.60	0.41	2.01	0.03	0.90
Net Asset Value - End of Period	\$55.24	\$50.47	\$35.09	\$33.49	\$35.65	\$40.60	\$20.61	\$19.49	\$14.29	\$11.69
TOTAL RETURN	17.99%	43.83%	4.78%	(6.01%)	(10.86%)	114.54%	7.85%	50.47%	22.56%	(1.50%)

RATIOS										
Net Assets - End of Period (\$000 Omitted)	\$933,828	\$860,926	\$473,926	\$560,294	\$756,791	\$744,927	\$88,150	\$26,765	\$10,027	\$10,405
Ratio of Expenses to Average Net Assets	0.98% [@]	1.15% [@]	1.19%	1.16%	1.00%	1.03%	1.12%	1.42%	1.65%	1.42%
Ratio of Net Investment Income (Loss) to Average Net Assets	0.11%	(0.08%)	(0.57%)	(0.34%)	0.26%	0.55%	1.18%	0.79%	(0.48%)	(0.17%)
Portfolio Turnover Rate	90%	107%	80%	87%	91%	100%	242%	272%	280%	364%
Average Commission Rate Paid ^{^^}	\$0.1204	-	-	-	-	-	-	-	-	-

+ For the year ended October 31, 1993, the Portfolio declared a Capital Gains distribution which aggregated less than \$0.01 on a per share basis.

@ Ratio is based on Total Expenses of the Portfolio, which is before any expense offset arrangements.

^{^^} The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

Financial Highlights (Continued)
(For a Fund Share Outstanding Throughout Each Period)

<TABLE>
<CAPTION>

Year Ended October 31

	1996	1995	1994	1993<	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Leisure Portfolio										
PER SHARE DATA										
Net Asset Value -										
Beginning of Period	\$23.78	\$22.63	\$25.47	\$16.29	\$14.85	\$10.14	\$14.53	\$11.99	\$9.00	\$11.38
INCOME FROM										
INVESTMENT OPERATIONS										
Net Investment Income (Loss)	0.04	0.08	(0.01)	(0.02)	(0.01)	(0.01)	0.01	0.22	0.04	(0.05)
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	2.25	2.06	(0.94)	9.20	2.44	6.84	(3.69)	4.52	2.95	(0.90)
Total from Investment Operations	2.29	2.14	(0.95)	9.18	2.43	6.83	(3.68)	4.74	2.99	(0.95)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income+										
Distributions from Capital Gains	0.04	0.08	0.00	0.00	0.00	0.00	0.03	0.21	0.00	0.00
In Excess of Capital Gains	2.25	0.91	1.89	0.00	0.99	2.12	0.68	1.99	0.00	1.43
Total Distributions	0.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Asset Value - End of Period	\$22.89	\$23.78	\$22.63	\$25.47	\$16.29	\$14.85	\$10.14	\$14.53	\$11.99	\$9.00
TOTAL RETURN	10.66%	9.98%	(3.92%)	56.36%	16.34%	67.40%	(25.33%)	39.58%	33.21%	(8.38%)

RATIOS										
Net Assets - End of Period (\$000 Omitted)	\$252,297	\$265,181	\$282,649	\$351,685	\$40,140	\$14,406	\$5,064	\$12,569	\$5,624	\$2,721
Ratio of Expenses to Average Net Assets	1.30% [@]	1.29% [@]	1.17%	1.14%	1.51%	1.86%	1.84%	1.38%	1.89%	1.50%
Ratio of Net Investment Income (Loss) to Average Net Assets	0.18%	0.31%	0.00%	(0.11%)	(0.33%)	(0.24%)	0.10%	1.44%	0.16%	(0.37%)
Portfolio Turnover Rate	56%	119%	116%	116%	148%	122%	89%	119%	136%	376%
Average Commission Rate Paid ^{^^}	\$0.1503	-	-	-	-	-	-	-	-	-

< The per share information was computed based on weighted average shares.

+ Distributions in excess of net investment income for the years ended October 31, 1996 and 1995, aggregated less than \$0.01 on a per share basis.

[@]Ratio is based on Total Expenses of the Portfolio, which is before any expense offset arrangements.

^{^^} The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

Financial Highlights (Continued)
(For a Fund Share Outstanding Throughout Each Period)

<TABLE>
<CAPTION>

	Year Ended October 31									
	1996	1995	1994	1993	1992<	1991<	1990<	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Technology Portfolio										
PER SHARE DATA										
Net Asset Value - Beginning of Period	\$34.33	\$24.94	\$26.99	\$20.20	\$18.10	\$11.61	\$12.66	\$10.11	\$8.49	\$9.29
INCOME FROM										
INVESTMENT OPERATIONS										
Net Investment Income (Loss)	0.07	(0.02)	(0.02)	(0.15)	(0.09)	(0.09)	(0.01)	(0.29)	(0.29)	(0.11)
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	5.76	10.20	1.19	6.94	2.19	10.97	(1.04)	2.84	1.91	(0.68)
Total from Investment Operations	5.83	10.18	1.17	6.79	2.10	10.88	(1.05)	2.55	1.62	(0.79)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income+	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distributions from Capital Gains	5.86	0.79	3.22	0.00	0.00	4.39	0.00	0.00	0.00	0.01
Total Distributions	5.93	0.79	3.22	0.00	0.00	4.39	0.00	0.00	0.00	0.01
Net Asset Value - End of Period	\$34.23	\$34.33	\$24.94	\$26.99	\$20.20	\$18.10	\$11.61	\$12.66	\$10.11	\$8.49
TOTAL RETURN	19.98%	42.19%	5.04%	33.63%	11.57%	93.73%	(8.28%)	25.24%	19.02%	(8.54%)
RATIOS										
Net Assets - End of Period (\$000 Omitted)	\$789,611	\$563,109	\$327,260	\$248,803	\$165,083	\$63,119	\$20,190	\$8,525	\$9,652	\$9,289
Ratio of Expenses to Average Net Assets	1.08% [@]	1.12% [@]	1.17%	1.13%	1.12%	1.19%	1.25%	1.59%	1.72%	1.47%
Ratio of Net Investment Income (Loss) to Average Net Assets	0.24%	(0.06%)	(0.55%)	(0.69%)	(0.45%)	(0.53%)	(0.06%)	(0.62%)	(0.90%)	(0.68%)
Portfolio Turnover Rate	168%	191%	145%	184%	169%	307%	345%	259%	356% [#]	556%
Average Commission Rate Paid ^{^^}	\$0.1557	-	-	-	-	-	-	-	-	-

</TABLE>

< The per share information was computed based on weighted average shares.

+ Distributions in excess of net investment income for the year ended October 31, 1996, aggregated less than \$0.01 on a per share basis.

@ Ratio is based on Total Expenses of the Portfolio, which is before any expense offset arrangements.

For the year ended October 31, 1988, the value of securities acquired in connection with the acquisition of the net assets of World of Technology, Inc. was excluded when computing the Portfolio turnover rate.

^^ The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

<TABLE>
 <CAPTION>
 Financial Highlights
 (For a Fund Share Outstanding Throughout Each Period)

	Year Ended October 31									
	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Utilities Portfolio										
PER SHARE DATA										
Net Asset Value -										
Beginning of Period	\$10.61	\$9.76	\$12.80	\$10.10	\$9.95	\$8.35	\$9.39	\$8.59	\$8.05	\$8.74
INCOME FROM INVESTMENT OPERATIONS										
Net Investment Income	0.37	0.44	0.33	0.29	0.27	0.39	0.32	0.39	0.40	0.39
Net Gains or (Losses) on Securities (Both Realized and Unrealized)	1.43	0.84	(1.12)	2.71	0.92	1.58	(1.04)	1.51	0.54	(0.68)
Total from Investment Operations	1.80	1.28	(0.79)	3.00	1.19	1.97	(0.72)	1.90	0.94	(0.29)
LESS DISTRIBUTIONS										
Dividends from Net Investment Income+	0.37	0.43	0.25	0.30	0.26	0.37	0.32	0.38	0.40	0.39
Distributions from Capital Gains	0.00	0.00	2.00	0.00	0.78	0.00	0.00	0.72	0.00	0.01
Total Distributions	0.37	0.43	2.25	0.30	1.04	0.37	0.32	1.10	0.40	0.40
Net Asset Value - End of Period	\$12.04	\$10.61	\$ 9.76	\$12.80	\$10.10	\$ 9.95	\$ 8.35	\$ 9.39	\$ 8.59	\$ 8.05
TOTAL RETURN	17.18%	13.48%	(7.22%)	29.88%	12.04%	23.98%	(7.82%)	22.40%	12.16%	(3.41%)

RATIOS

Net Assets - End of Period (\$'000 Omitted)	\$153,082	\$134,468	\$139,579	\$181,738	\$107,561	\$69,267	\$30,730	\$23,955	\$18,407	\$16,111
Ratio of Expenses to Average Net Assets#	1.17%	1.18%	1.13%	1.06%	1.13%	1.21%	1.26%	1.35%	1.39%	1.39%
Ratio of Net Investment Income to Average Net Assets#	3.28%	4.47%	3.33%	2.66%	2.73%	4.19%	3.48%	4.07%	4.93%	5.07%
Portfolio Turnover Rate	141%	185%	180%	202%	226%	151%	264%	220%	164%	84%
Average Commission Rate Paid^^	\$0.0895	-	-	-	-	-	-	-	-	-

</TABLE>

+ Distributions in excess of net investment income for the year ended October 31, 1996, aggregated less than \$0.01 on a per share basis.

Various expenses of the Portfolio were voluntarily absorbed by IFG for the years ended October 31, 1996, 1995 and 1994. If such expenses had not been voluntarily absorbed, ratio of expenses to average net assets would have been 1.25%, 1.30% and 1.14%, respectively, and ratio of net investment income to average net assets would have been 3.20%, 4.34% and 3.32%, respectively.

@ Ratio is based on Total Expenses of the Portfolio, less Expenses Absorbed by Investment Adviser, which is before any expense offset arrangements.

^^ The average commission rate paid is the total brokerage commissions paid on applicable purchases and sales of securities for the period divided by the total

number of related shares purchased or sold which is required to be disclosed for fiscal years beginning September 1, 1995 and thereafter.

INVESTMENT OBJECTIVE AND STRATEGY

Each Portfolio, which is a separate series of the Fund, seeks capital appreciation and, with respect to the Utilities Portfolio, income. This investment objective is fundamental and cannot be changed without the approval of the Portfolio's shareholders. The investment strategy is aggressive; holdings are focused on equity securities whose price appreciation is expected to outpace that of the overall sector in which the Portfolio invests. These stocks may not pay regular dividends. Each Portfolio normally invests at least 80% of its total assets in the equity securities (common and preferred stocks, and convertible bonds) of companies principally engaged in a specific business sector. There is no assurance that a Portfolio's investment objective will be met.

Each business sector typically consists of numerous industries. In determining whether a company is principally engaged in a particular business sector, Fund Management must determine that the company derives more than 50% of its gross income or net sales from activities in that sector; or that the company dedicates more than 50% of its assets to the production of revenues from that sector, or, if based on available financial information, a question exists whether a company meets one of these standards, Fund Management determines that the company's primary business is within the business sector designated for investment by that Portfolio.

The remainder of each Portfolio's assets may be invested in any securities or other instruments deemed appropriate by Fund Management, consistent with the Portfolio's investment policies and restrictions. These investments include debt securities issued by companies principally engaged in the Portfolio's business sector, debt or equity securities issued by companies outside the Portfolio's business sector, short-term high grade debt obligations maturing no later than one year from the date of purchase (including U.S. government and agency securities, domestic bank certificates of deposit, commercial paper rated at least A-2 by Standard & Poor's or P-2 by Moody's Investors Service, Inc., and repurchase agreements), and cash.

The Portfolios are actively traded. Economic conditions and market circumstances vary from day to day; securities may be bought and sold relatively frequently as their suitability as a portfolio holding changes.

When Fund Management believes market or economic conditions are adverse, a Portfolio may act defensively -- that is, temporarily invest up to 100% of its total assets in short-term high grade debt obligations as described above or cash, seeking to protect its assets until conditions stabilize.

INVESTMENT POLICIES AND RISKS

Industry Concentration. Each Portfolio's holdings normally will be concentrated in a single, specific business sector. Compared to the broad market, an individual sector may be more strongly affected by changes in the economic climate; broad market shifts; moves in a particular, dominant stock; or regulatory changes. Investors should be prepared for volatile short-term movement in net asset value. Each Portfolio attempts to reduce these risks by diversifying its investments among many individual securities; further, a Portfolio may not invest more than 5% of its total assets in the securities of any one issuer (other than obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities). However, of itself, an investment in one or more of the Portfolios does not constitute a balanced investment program.

The Technology Portfolio may not invest more than 25% of its total assets in a single industry (e.g., computer software) within the technology business

sector. The other Portfolios do not operate under this restriction.

The Portfolios are concentrated in these industry sectors:

Energy: energy companies including oil, natural gas, coal, uranium; geothermal, solar, or nuclear power; or new energy sources. Companies may be in the business of exploration, development, production, processing or distribution of these energy resources. Companies may also provide supplies, services, or transportation to energy companies, or energy conservation or pollution control technologies. Up to 25% of the Portfolio's total assets, measured at the time of purchase, may be invested in foreign securities. Securities of Canadian issuers and American Depository Receipts ("ADRs") are not subject to this 25% limitation.

Market prices of these businesses may be adversely affected by foreign government, federal or state regulations on energy production, distribution and sale.

Environmental Services: waste management, pollution control, and similar companies offering products and services related to environmental concerns in the United States and foreign countries. Environmental services include treatment, reduction, and/or disposal of waste; decontamination, monitoring or transportation; remedial services; landfills, recycling, incineration, pollution reduction projects and systems; environmental insurance and surety bonding; development of alternative energy sources; safety and protection equipment for environmental workers; specialty environmental services; and the production of biodegradable or otherwise environmentally safe products and technologies

related to pollution control. Up to 100% of the Portfolio's total assets may be invested in foreign companies.

The environmental services sector has been positively influenced by legislation that has resulted in stricter government regulations and enforcement policies for both commercial and government generators of waste materials, as well as specific expenditures designated for remedial clean-up efforts. These regulations are subject to change, which could adversely affect these businesses. Since the materials handled and processes involved include hazardous components, there is significant liability risk. In addition, there are also risks of intense competition within this sector.

Financial Services: financial service companies including commercial and industrial banks, savings & loan associations, consumer and industrial finance, leasing, securities brokerage and insurance companies. Up to 25% of the Portfolio's total assets, measured at the time of purchase, may be invested in foreign securities. Securities of Canadian issuers and ADRs are not subject to this 25% limitation.

Many of these industries are subject to extensive governmental regulation, which may change frequently. The firms' profitability is largely dependent upon the availability and cost of capital funds, and may fluctuate significantly in response to changes in interest rates, as well as changes in general economic conditions. From time to time, severe competition may also affect the profitability of insurance companies in particular.

Gold: companies engaged in mining, exploring, processing, or dealing or investing in gold. Up to 10% of the Portfolio's total assets may be invested in gold bullion. Up to 100% of the Portfolio's total assets may be invested in foreign companies.

Due to monetary and political policies on a national and international level, the price of gold is subject to substantial fluctuations, which will have an effect on the profitability and market value of these companies. Changes in political or economic climate for the two largest producers -- South Africa and the former Soviet Union -- may have a direct impact on the price of gold worldwide. The Gold Portfolio's investments in gold bullion will earn no income return; appreciation in the market price of gold is the sole manner in which the Portfolio would be able to realize gains on such investments. Furthermore, the Portfolio may encounter storage and transaction costs in connection with its ownership of gold bullion that may be higher than those associated with the purchase, holding and sale of more traditional types of investments.

Health Sciences: companies which develop, produce, or distribute products or services related to health-care. These include medical equipment or supplies,

pharmaceuticals, health-care facilities, and applied research and development of new products or processes. Up to 25% of the Portfolio's total assets, measured at the time of purchase, may be invested in foreign securities. Securities of Canadian issuers and ADRs are not subject to this 25% limitation.

Many of these activities are funded or subsidized by federal and state governments; withdrawal or curtailment of this support could have an adverse impact on the profitability, and market prices, of such companies. Changes in government regulation could also have an adverse impact. Further, continuing technological advances may mean rapid obsolescence of products and services.

Leisure: companies that design, produce or distribute leisure-time products or services. These include recreational equipment, toys, games, photographic equipment, and musical instruments, as well as entertainment industries such as cable television, music, motion pictures, broadcasting, advertising and publishing. In addition, companies engaged in air transportation, lodging, sports arenas, gambling casinos, amusement or theme parks, and restaurants may be included. Up to 25% of the Portfolio's total assets, measured at the time of purchase, may be invested in foreign securities. Securities of Canadian issuers and ADRs are not subject to this 25% limitation.

Many of these industries are dependent upon consumer discretionary spending, which may fluctuate, particularly during economic downturns. Securities of gambling casinos may be subject to above-average price volatility and considered speculative. Video and electronic games are subject to risks of rapid obsolescence. These factors may adversely affect the market value of the securities of the companies involved.

Technology: technology-related industries such as computers, communications, video, electronics, oceanography, office and factory automation, and robotics. Up to 25% of the Portfolio's total assets, measured at the time of purchase, may be invested in foreign securities. Securities of Canadian issuers and ADRs are not subject to this 25% limitation.

Many of these products and services are subject to rapid obsolescence, which may adversely affect market value of the securities of the companies involved.

Utilities: companies that manufacture, produce, generate, transmit or sell gas or electricity, as well as communications firms, such as telephone, telegraph, satellite, microwave and other media (excluding broadcasting). Up to 25% of the Portfolio's total assets, measured at the time of purchase, may be invested in foreign securities. Securities of Canadian issuers and ADRs are not subject to the 25% limitation.

Difficulties in obtaining adequate financing and investment return, environmental issues, prices of fuel for electric generation, availability of natural gas, and risks associated with nuclear power facilities may each adversely affect the market value of the Portfolio's holdings at different times. Compared to the broad market, the public utilities sector may be more strongly affected by changes in the economic climate; broad market shifts; moves in a particular, dominant stock; or regulatory changes.

Each Portfolio may invest in the following types of securities:

Equity Securities. The equity securities in which the Portfolios invest may

be issued by either established, well-capitalized companies, or newly-formed small capitalization ("small cap") companies. These securities may be traded on national, regional or foreign stock exchanges or in the over-the-counter market. Small cap companies frequently have limited operating histories, product lines and financial and managerial resources, and may face intense competitive pressures from larger companies. The market prices of small cap stocks may be more volatile than the stocks of larger companies both because they typically trade in lower volumes and because small cap firms may be more vulnerable to changes in their earnings and prospects.

Foreign Securities. Each Portfolio's investments may include foreign securities, which involve certain risks.

For U.S. investors, the returns on foreign debt securities are influenced not only by the returns on the foreign investments themselves, but also by currency fluctuations. That is, when the U.S. dollar generally rises against foreign currencies, returns on foreign securities for a U.S. investor may decrease. By contrast, in a period when the U.S. dollar generally declines, those returns may increase.

Other aspects of international investing to consider include:

- less publicly available information than is generally available about U.S. issuers;

- differences in accounting, auditing and financial reporting standards;

- generally higher commission rates on foreign portfolio transactions and longer settlement periods;

- smaller trading volumes and generally lower liquidity of foreign stock markets, which may cause greater price volatility; and

- investments in certain countries may be subject to foreign withholding taxes, which may reduce dividend income or capital gains payable to shareholders.

There is also the possibility of expropriation or confiscatory taxation; adverse changes in investment or exchange control regulations; political instability; potential restrictions on the flow of international capital; and the possibility of a Portfolio experiencing difficulties in pursuing legal remedies and collecting judgments.

ADRs represent shares of a foreign corporation held by a U.S. bank that entitle the holder to all dividends and capital gains. ADRs are denominated in U.S. dollars and trade in the U.S. securities markets. ADRs are subject to some of the same risks as direct investments in foreign securities, including the risk that material information about the issuer may not be disclosed in the United States and the risk that currency fluctuations may adversely affect the value of the ADR.

In order to hedge against fluctuations in foreign exchange rates, the Portfolios may enter into contracts to purchase or sell foreign currencies at a future date ("forward contracts"). Forward contracts and their risks are discussed under "Investment Policies and Restrictions" in the Statement of Additional Information.

Illiquid and Rule 144A Securities. Each Portfolio may invest up to 10% of its total assets, measured at the time of purchase, in illiquid securities, including securities that are subject to restrictions on resale and securities that are not readily marketable. Investments in illiquid securities are subject to the risk that a Portfolio may not be able to dispose of a security at the time desired or at a reasonable price, or may have to bear the expense and delay of registering the security in order to resell it. The Portfolios' investments in restricted securities may include securities that may be resold to institutional investors ("Rule 144A Securities"). The liquidity of Rule 144A Securities could be impaired if dealers or institutional investors become uninterested in purchasing them. For more information concerning Rule 144A Securities, see "Investment Policies and Restrictions" in the Statement of Additional Information.

Securities Lending. The Portfolios may seek to earn additional income by

lending securities to qualified brokers, dealers, banks, or other financial institutions, on a fully collateralized basis. For further information on this policy, see "Investment Policies and Restrictions" in the Statement of Additional Information.

Repurchase Agreements. The Portfolios may invest money, for as short a time as overnight, using repurchase agreements ("repos"). With a repo, a Portfolio buys a debt instrument, agreeing simultaneously to sell it back to the prior owner at an agreed-upon price. The Portfolio could incur costs or delays in seeking to sell the instrument if the prior owner defaults on its repurchase obligation. To reduce that risk, securities that are the subject of the repurchase agreement will be maintained with the Fund's custodian in an amount at least equal to the repurchase price under the agreement (including accrued interest). These agreements are entered into only with member banks of the Federal Reserve System, registered broker-dealers^ and registered U.S. government securities dealers that are deemed creditworthy under standards established by the Fund's board of directors.

Portfolio Turnover. There are no fixed limitations regarding portfolio turnover. The Portfolios do not trade for short-term profit; however, at the discretion of Fund Management, securities may be sold regardless of how long they have been held when investment considerations warrant such action. The portfolio turnover rate of each Portfolio therefore may be higher than some other mutual funds with the same investment objective. This policy also may result in greater brokerage commissions and acceleration of capital gains which are taxable when distributed to shareholders. The Statement of Additional Information includes an expanded discussion of the Portfolios' portfolio turnover rates, their brokerage practices and certain federal income tax matters.

For a further discussion of risks associated with an investment in the Fund, see "Investment Policies and Restrictions" and "Investment Practices" in the Statement of Additional Information.

Investment Restrictions. Certain restrictions, which are set forth in the Statement of Additional Information, may not be altered without the approval of the Portfolios' shareholders. For example, a Portfolio may not borrow money except from banks for temporary or emergency purposes (but not for investment) in an amount not to exceed 10% of its net assets. In addition, except for the Portfolios' policies regarding investments in foreign securities and foreign currencies, the investment objective and policies described in this prospectus under "Investment Objective and Strategy" and "Investment Policies and Risks" are fundamental and may not be changed without a vote of the ^ Portfolios' shareholders.

THE FUND AND ITS MANAGEMENT

The Fund is a no-load mutual fund, registered with the Securities and Exchange Commission as a diversified, open-end management investment company. It was incorporated on August 10, 1983, under the laws of Maryland.

The Fund's board of directors has responsibility for overall supervision of the Fund^ and reviews the services provided by the adviser and sub-adviser. Under an agreement with the Fund, INVESCO Funds Group, Inc. ("IFG"), 7800 E. Union Avenue, Denver, Colorado 80237, serves as investment manager for each Portfolio; it is primarily responsible for providing the Fund with various administrative services. IFG's wholly-owned subsidiary, INVESCO Trust Company ("INVESCO Trust"), is the Fund's sub-adviser and is primarily responsible for managing the Portfolios' investments. Together, IFG and INVESCO Trust constitute "Fund Management."

The following managers have the responsibility for the day-to-day management of each Portfolio's holdings:

Energy: Since ^ 1996, Albert M. Grossi, portfolio manager of INVESCO Trust Company. ^ Mr. Grossi also serves as portfolio manager of INVESCO Worldwide Capital Goods Fund. Mr. Grossi was portfolio manager/senior analyst of Westinghouse Pension Investments Corp. (1988 to 1995); retail equity marketing coordinator for E. F. Hutton (1981 to 1988); securities analyst for Shearson American Express (1975 to 1981) and for Mutual Benefit Life Insurance (1974 to 1975). Mr. Grossi earned an MBA and a BA from Rutgers University.

Environmental Services: Since 1995, ^ Gerard F. Hallaren, Jr. He also serves as co-portfolio manager of the Technology Portfolio. Mr. Hallaren joined INVESCO Trust Company^ in 1994, served as a research analyst ^ from 1994 to 1995 and became a vice president in 1995. Mr. Hallaren was a vice president and research analyst with Hanifen Imhoff (1992 to 1994); a retail broker with Merrill Lynch (1991); director of business planning for MiniScribe Corporation (1989 to 1990); and served as a research analyst with various firms beginning in 1978. Mr. Hallaren earned a B.A. from the University of Massachusetts, Amherst, and is a Chartered Financial Analyst.

Financial Services: Since ^ 1996, Daniel B. Leonard. He also serves as portfolio manager of ^ the Gold Portfolio and co- portfolio manager of the Technology Portfolio. He joined INVESCO in 1975 and was appointed successively portfolio manager (1975- 1983; 1985-1991) and senior vice president (1975-1983; 1985-1991) of INVESCO Funds Group, Inc., as well as vice president (1977-1983) and senior vice president (1991 to present) of INVESCO Trust Company. Mr. Leonard earned a B.A. from Washington & Lee University. He began his investment career in 1960.

^ Gold: Since 1989, Daniel B. Leonard. He also serves as co- portfolio manager of the Technology and Financial Services Portfolios. He joined INVESCO in 1975, and was appointed successively portfolio manager (1977-1983; 1985-1991) and senior vice President (1975-1983; 1985-1991) of INVESCO Funds Group, Inc.,

as well as vice president (1977-1983) and senior vice president (1991 to present) of INVESCO Trust Company. Mr. Leonard earned a B.A. from Washington & Lee University. He began his investment career in 1960.

Health Sciences: Co-portfolio manager ^ from 1994 to 1996, John Schroer. Mr. Schroer is a vice president (since ^ 1995) and portfolio manager (since ^ 1993) of INVESCO Trust Company. ^ He also serves as vice president ^ and portfolio manager ^ of The Global Health Sciences Fund^ and as co-portfolio manager of INVESCO Emerging Growth Fund. Previously, he was an assistant vice president with Trust Company of the West. Mr. Schroer earned his M.B.A. and B.S. from the University of Wisconsin-Madison. He is a Chartered Financial Analyst.

Co-portfolio manager since June 1996, Carol A. Werther. Previously, Ms. Werther was a portfolio manager specializing in biotechnology stock with Rothschild Asset Management Ltd. (1995 to 1996); a vice president and biotechnology analyst with Cowen & Company (1992 to 1994); and an analyst with Lehman Brothers (1990 to 1992). Ms. Werther earned an M.B.A. from New York University, an M.S. from the Univeristy of Alabama in Birmingham and a B.S. from Cornell University.

Leisure: Since 1996, Mark Greenberg, portfolio manager ^ of INVESCO Trust Company. ^ Previously, Mr. Greenberg was vice president and global media and entertainment analyst for Scudder, Stevens & Clark (1990 to 1996); media, technology and telecommunications analyst for Campbell Advisors (1988 to 1989); media and technology analyst for Irving Trust Company (1983 to 1988); and analyst for Argus Research and Bernstein Macauley (1980 to 1983). He earned a B.S.B.A. from Marquette University and is a Chartered Financial Analyst.

Technology: Co-portfolio manager since 1996 and portfolio manager from 1985 to 1996, Daniel B. Leonard. Mr. Leonard also serves as portfolio manager of ^ the Gold and Financial Services Portfolios. He joined INVESCO in 1975, and was appointed successively portfolio manager (1977-1983; 1985-1991) and senior vice president (1975-1983; 1985-1991) of INVESCO Funds Group, Inc., as well as vice president (1977-1983) and senior vice president (1991 to present) of INVESCO Trust Company. Mr. Leonard earned a B.A. from Washington & Lee University. He began his investment career in 1960.

Co-portfolio manager since 1996, Gerard F. Hallaren, Jr. Mr. Hallaren also serves as portfolio manager of the Environmental Services Portfolio. Mr. Hallaren joined INVESCO Trust Company in 1994, served as a research analyst from 1994 to 1995 and became a vice president in 1995. Previously, Mr. Hallaren was a vice president and research analyst with Hanifen Imhoff (1992 to 1994); a retail

broker with Merrill Lynch (1991); director of business planning for MiniScribe Corporation (1989 to 1990); and served as a research analyst with various firms beginning in 1978. Mr. Hallaren earned a B.A. from the University of Massachusetts, Amherst, and is a Chartered Financial Analyst.

Utilities: Since 1996, Jeffrey G. Morris, portfolio manager of INVESCO Trust Company. Mr. Morris also manages the INVESCO VIF Utilities Portfolio. Mr. Morris joined INVESCO in 1991 and served as a research analyst (1994-1995). He earned a B.S. from Colorado State University. He is a Chartered Financial Analyst.

Fund Management permits investment and other personnel to purchase and sell securities for their own accounts, subject to a compliance policy governing personal investing. This policy requires Fund Management's personnel to conduct their personal investment activities in a manner that Fund Management believes is not detrimental to the Fund or Fund Management's other advisory clients. See the Statement of Additional Information for more detailed information.

Each Portfolio pays IFG a monthly management fee which is based upon a percentage of that Portfolio's average net assets determined daily. The management fee is computed at the annual rate of 0.75% on the first \$350 million of a Portfolio's average net assets; 0.65% on the next \$350 million of a Portfolio's average net assets; and 0.55% on a Portfolio's average net assets over \$700 million. While the portion of the management fee that is equal to 0.75% of a Portfolio's average net assets is higher than the management fees incurred by most other mutual funds, it is not higher than the management fees paid by most other sector funds on comparable levels of assets. For the fiscal year ended October 31, 1996, the Portfolios paid management fees (prior to the voluntary absorption of certain expenses for Environmental Services and Utilities Portfolios by IFG) equal to the following percentages of their average net assets: Energy 0.75%, Environmental Services 0.75%, Financial Services 0.73%, Gold 0.75%, Health Sciences 0.65%, Leisure 0.75%, Technology 0.70% and Utilities, 0.75%.

Out of these advisory fees received from the Fund, IFG paid to INVESCO Trust as a sub-advisory fee an amount equal to the following percentages of each Portfolio's average net assets: Energy 0.25%, Environmental Services 0.25%, Financial Services 0.22%, Gold 0.23%, Health Sciences 0.21%, Leisure 0.24%, Technology 0.22% and Utilities 0.25%. No fee is paid by any Portfolio to INVESCO Trust.

Under a Transfer Agency Agreement, IFG acts as registrar, transfer agent and dividend disbursing agent for the Fund. The Fund pays an annual fee of \$20.00 per shareholder account or omnibus account participant for these services. Registered broker-dealers, third party administrators of tax-qualified retirement plans and other entities, including affiliates of IFG, may provide

equivalent services to the Fund. In these cases, IFG may pay, out of the fee it receives from the Fund, an annual sub-transfer agency or record-keeping fee to the third party.

In addition, under an Administrative Services Agreement, IFG handles additional administrative, record-keeping, and internal sub-accounting services for the Fund. For the fiscal year ended October 31, 1996, the Portfolios paid IFG fees for these services equal to the following percentages of the respective Portfolios' average net assets: Energy 0.02%; Environmental Services 0.05%,

Financial Services 0.02%, Gold 0.02%, Health Sciences 0.02%, Leisure 0.02%, ^ Technology 0.02% and Utilities 0.02%.

Each Portfolio's expenses, which are accrued daily, are deducted from total income before dividends are paid. Total expenses of each Portfolio (prior to any expense offset) for the fiscal year ended October 31, ^ 1996, including investment management fees (but excluding brokerage commissions, which are a cost of acquiring securities), amounted to the following percentages of each Portfolio's average net assets: Energy ^ 1.30%, Environmental Services ^ 1.61%, Financial Services ^ 1.11%, Gold ^ 1.22%, Health Sciences ^ 0.98%, Leisure ^ 1.30%, Technology ^ 1.08% and Utilities, 1.17%. Certain expenses of the Environmental Services ^ and Utilities Portfolios are absorbed voluntarily by IFG pursuant to a commitment to the Fund. This commitment may be changed following consultation with the Fund's board of directors. In the absence of this voluntary expense limitation, the total operating expenses of the Environmental Services ^ and Utilities Portfolios for the year ended October 31, ^ 1996, would have been ^ 1.85% and 1.25%, respectively, of each Portfolio's average net assets.

Fund Management places orders for the purchase and sale of portfolio securities with brokers and dealers based upon Fund Management's evaluation of their financial responsibility coupled with their ability to effect transactions at the best available prices. Each Portfolio may place orders for portfolio transactions with qualified ^ broker-dealers that recommend the Portfolio^ or sell shares of the Portfolio^ to clients, or act as agent in the purchase of Portfolio shares for clients, if Fund Management believes that the quality of the execution of the transaction and level of commission are comparable to those available from other qualified brokerage firms. For further information, see "Investment Practices - Placement of Portfolio Brokerage" in the Statement of Additional Information.

The parent company for IFG and INVESCO Trust is ^[AMVESCO] PLC, a publicly traded holding company whose subsidiaries provide investment services around the world. [INVESCO PLC changed its name to AMVESCO PLC on _____, 1997 as part of a merger between INVESCO PLC and AIM Management Group, Inc. thus creating one of the largest independent investment management businesses in the

world. IFG and INVESCO Trust will continue to operate under their existing names. AMVESCO PLC has approximately \$150 billion in assets under management.] IFG was established in 1932 and, as of October 31, ^ 1996, managed 14 mutual funds, consisting of ^ 39 separate portfolios, with combined assets of approximately ^ \$13.4 billion on behalf of over ^ 829,000 shareholders. INVESCO Trust (founded in 1969) served as adviser or sub-adviser to ^ 47 investment portfolios as of October 31, ^ 1996, including 27 portfolios in the INVESCO group. These ^ 47 portfolios had aggregate assets of approximately ^ \$12.5 billion as of October 31, ^ 1996. In addition, INVESCO Trust provides investment management services to private clients, including employee benefit plans that may be invested in a collective trust sponsored by INVESCO Trust.

FUND PRICE AND PERFORMANCE

Determining Price. The value of your investment in a Portfolio will vary daily. The price per share is also known as the Net Asset Value (NAV). IFG prices the Portfolios every day that the New York Stock Exchange is open, as of the close of regular trading (normally, 4:00 p.m., New York time). NAV is calculated by adding together the current market value of each Portfolio's assets, including accrued interest and dividends; then subtracting liabilities, including accrued expenses; and finally dividing that dollar amount by the total number of shares outstanding of that Portfolio.

Performance Data. To keep shareholders and potential investors informed, we will occasionally advertise a Portfolio's total return for one-, five-, and ten-year periods (or since inception). Total return figures show the rate of return on ^ an investment in a Portfolio, assuming reinvestment of all dividends and capital gain distributions for the periods cited. Cumulative total return shows the actual rate of return on an investment; average annual total return represents the average annual percentage change of an investment. Both cumulative and average annual total returns tend to "smooth out" fluctuations in a Portfolio's investment results, not showing the interim variations in performance over the periods cited. More information about the Portfolios'

recent and historical performance is contained in the Fund's Annual Report to ^ Shareholders. You can get a free copy by calling or writing to IFG using the phone number or address on the cover of this prospectus.

When we quote mutual fund rankings published by Lipper Analytical Services, Inc., we may compare the Portfolios to the broad-based Lipper general fund groupings, or to others in their respective categories:

Portfolio	Lipper Mutual Fund Category
Energy	Natural Resources
Environmental Services	Environmental
Financial Services	Financial Services
Gold	Gold Oriented
Health Sciences	Health/Biotechnology
Leisure	Specialty/Miscellaneous
Technology	Science & Technology
Utilities	Utility

These rankings allow you to compare the Portfolios to their peers. Other independent financial media also produce performance- or service-related comparisons, which you may see in our promotional materials. For more information, see "Fund Performance" in the Statement of Additional Information.

Performance figures are based on historical investment results and are not intended to suggest future performance.

HOW TO BUY SHARES

The following chart shows several convenient ways to invest in one or more Portfolios. Your new Portfolio shares will be priced at the NAV next determined after your order is received in proper form. There is no charge to invest, exchange^ or redeem shares when you make transactions directly through IFG. However, if you invest in a Portfolio through a securities broker, you may be charged a commission or transaction fee. IFG may from time to time make payments from its revenues to securities dealers and other financial institutions that provide distribution-related and/or administrative services for the Fund. For all new accounts, please send a completed application form. Please specify which Portfolio you wish to purchase.

Fund Management reserves the right to increase, reduce or waive the minimum investment requirements in its sole discretion, where it determines this action is in the best interests of the Portfolios. Further, Fund Management reserves the right in its sole discretion to reject any order for the purchase of Portfolio shares (including purchases by exchange) when, in its judgment, such rejection is in the Portfolio's best interests.

How To Buy Shares

Method	Investment Minimum Per Portfolio	Please Remember
By Check	\$1,000 for regular	If your check does
Mail to:	account;	not clear, you will
INVESCO Funds	\$250 for an	be responsible for
Group, Inc.	Individual	any related loss
P.O. Box 173706	Retirement Account;	the Portfolio or
Denver, CO 80217-	\$50 minimum for	IFG incurs. If you

3706.
Or you may send
your check by
overnight courier
to: 7800 E. Union
Ave.,
Denver, CO 80237.

each subsequent
investment.

are already a
shareholder in the
INVESCO funds, the
Portfolio may seek
reimbursement from
your existing
account(s) for any
loss incurred.

By Telephone or
Wire
Call 1-800-525-8085
to request your
purchase. Then send
your check by
overnight courier
to our street
address:
7800 E. Union Ave.,
Denver, CO 80237.
Or you may transmit
your payment by
bank wire (call IFG
for instructions).

\$1,000.

Payment must be
received within 3
business days, or
the transaction may
be cancelled. If a
telephone purchase
is cancelled due to
nonpayment, you
will be responsible
for any related
loss the Portfolio
or IFG incurs. If
you are already a
shareholder in the
INVESCO funds, the
Portfolio may seek
reimbursement from your
existing account(s) for
any loss incurred.

With EasiVest or
Direct Payroll
Purchase
You may enroll on
the fund
application, or
call us for the
correct form and
more details.
Investing the same
amount on a monthly
basis allows you to
buy more shares
when prices are low
and fewer shares
when prices are
high. This "dollar-
cost averaging" may
help offset market
fluctuations. Over
a period of time,
your average cost
per share may be
less than the
actual average
price per share.

\$50 per month for
EasiVest; \$50 per
pay period for
Direct Payroll
Purchase. You may
start or stop your
regular investment
plan at any time,
with two weeks'
notice to IFG.

Like all regular
investment plans,
neither EasiVest
nor Direct Payroll
Purchase ensures a
profit or protects
against loss in a
falling market.
Because you'll
invest continually,
regardless of
varying price
levels, consider
your financial
ability to keep
buying through low
price levels. And
remember that you
will lose money if
you redeem your
shares when the
market value of all
your shares is less
than their cost.

By PAL
Your "Personal
Account Line" is
available for
subsequent
purchases and
exchanges 24-hours
a day. Simply call
1-800-424-8085.

\$1,000.

Be sure to write
down the
confirmation number
provided by PAL.
Payment must be
received within 3
business days, or
the transaction may
be cancelled. If a
telephone purchase is
cancelled due to
nonpayment, you will be
responsible for any
related loss the
Portfolio or IFG incurs.

If you are already a shareholder in the INVESCO funds, the Portfolio may seek reimbursement from your existing account(s) for any loss incurred.

By Exchange Between this and another of the INVESCO funds. Call 1-800-525-8085 for prospectuses of other INVESCO funds. You may also establish an Automatic Monthly Exchange service between two INVESCO funds; call IFG for further details and the correct form.	\$1,000 to open a new account; \$50 for written requests to purchase additional shares for an existing account. (The exchange minimum is \$250 for purchases requested by telephone.)	See "Exchange Privilege^," below.
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Exchange Privilege. You may exchange your shares in this Portfolio for those in another Portfolio or INVESCO fund^ on the basis of their respective net asset values at the time of the exchange. Before making any exchange, be sure to review the prospectuses of the funds involved and consider their differences.

Please note these policies regarding exchanges of fund shares:

- 1) The fund accounts must be identically registered.
- 2) You may make four exchanges out of each fund during each calendar year.
- 3) An exchange is the redemption of shares from one fund followed by the purchase of shares in another. Therefore, any gain or loss realized on the exchange is recognizable for federal income tax purposes (unless, of course, your account is tax-deferred).
- 4) The Fund reserves the right to reject any exchange request, or to modify or terminate exchange privileges, in the best interests of the Fund and its shareholders. Notice of all such modifications or ^ terminations will be given at least 60 days prior to the effective date of the change in privilege, except for unusual instances (such as when redemptions of the exchanged shares are suspended under Section 22(e) of the Investment Company Act of 1940, or when sales of the fund into which you are exchanging are temporarily stopped).

FUND SERVICES

Shareholder Accounts. IFG will maintain a share account that reflects your current holdings. Share certificates will be issued only upon upon specific

request. You will have greater flexibility to conduct transactions if you

do not request certificates.

Transaction Confirmations. You will receive detailed confirmations of individual purchases, exchanges^ and redemptions. If you choose certain recurring transaction plans (for instance, EasiVest), your transactions will be confirmed on your quarterly Investment Summary.

Investment Summaries. Each calendar quarter, shareholders receive a written statement which consolidates and summarizes account activity and value at the beginning and end of the period for each of their INVESCO funds.

Reinvestment of Distributions. Dividends and capital gain distributions are automatically invested in additional fund shares at the NAV on the ex-dividend date, unless you choose to have dividends and/or capital gain distributions automatically reinvested in another INVESCO fund or paid by check (minimum of \$10.00).

Telephone Transactions. All shareholders may exchange and redeem Portfolio shares by telephone, unless they expressly decline these privileges. By signing the new account Application^ or a Telephone Transaction Authorization Form, or otherwise using these privileges, the investor has agreed that, if the Portfolio has followed reasonable procedures, such as recording telephone instructions and sending written transaction confirmations, it will not be liable for following telephoned instructions that it believes to be genuine. As a result of this policy, the investor may bear the risk of any loss due to unauthorized or fraudulent instructions.

Retirement Plans And IRAs. Shares of these Portfolios may be purchased for Individual Retirement Accounts (IRAs) and many types of tax-deferred retirement plans. IFG can supply you with information and forms to establish or transfer your existing plan or account.

HOW TO SELL SHARES

The following chart shows several convenient ways to redeem your Portfolio shares. Shares of any Portfolio may be redeemed at any time at their current NAV next determined after a request in proper form is received at the Fund's office. The NAV at the time of the redemption may be more or less than the price you paid to purchase your shares, depending primarily upon that Portfolio's investment performance.

Please ^ specify from which Portfolio you wish to redeem shares. Shareholders have a separate account for each fund or Portfolio in which they invest.

How To Sell Shares

Method	Minimum Redemption Per Portfolio	Please Remember
By Telephone Call us toll-free at 1-800-525-8085.	\$250 (or, if less, full liquidation of the account) for a redemption check; \$1,000 for a wire to bank of record. The maximum amount which may be redeemed by telephone is generally \$25,000. These telephone redemption	This option is not available for shares held in Individual Retirement Accounts (IRAs).

privileges may be modified or terminated in the future at the discretion of IFG.

In Writing
Mail your request to INVESCO Funds Group, Inc., P.O. Box 173706 Denver, CO 80217-3706. You may also send your request by overnight courier to 7800 E. Union Ave., Denver, CO 80237.

Any amount. The redemption request must be signed by all registered shareholders(s). Payment will be mailed to your address of record, or to a pre-designated bank.

If the shares to be redeemed are represented by stock certificates, the certificates must be sent to IFG.

By Exchange
Between this and another of the INVESCO funds. Call 1-800-525-8085 for prospectuses of other INVESCO funds. You may also establish an automatic monthly exchange service between two INVESCO funds; call IFG for further details and the correct form.

\$1,000 to open a new account; \$50 for written requests to purchase additional shares for an existing account. (The exchange minimum is \$250 for exchanges requested by telephone.)

See "Exchange Privilege," above.

Periodic Withdrawal Plan
You may call us to request the appropriate form and more information at 1-800-525-8085.

\$100 per payment, on a monthly or quarterly basis. The redemption check may be made payable to any party you designate.

You must have at least \$10,000 total invested with the INVESCO funds, with at least \$5,000 of that total invested in the fund from which withdrawals will be made.

Payment To Third Party
Mail your request to INVESCO Funds Group, Inc., P.O. Box 173706 Denver, CO 80217-3706.

Any amount.

All registered owners of the account must sign the request, with a signature guarantee from an eligible guarantor financial institution, such as a commercial bank or recognized national or regional securities firm.

While the Portfolios will attempt to process telephone redemptions promptly, there may be times -- particularly in periods of severe economic or market disruption -- when you may experience delays in redeeming shares by phone.

Payments of redemption proceeds will be mailed within seven days following receipt of the redemption request in proper form. However, payment may be postponed under unusual circumstances -- for instance, if normal trading is not taking place on the New York Stock Exchange or during an emergency as defined by the Securities and Exchange Commission. If your shares were purchased by a

check which has not yet cleared, payment will be made promptly upon clearance of the purchase check (which may take up to 15 days).

If you participate in ^ EasiVest, the Portfolios' automatic monthly investment program, and redeem all of the shares in your account, we will terminate any further ^ EasiVest purchases unless you instruct us otherwise.

Because of the high relative costs of handling small accounts, should the value of any shareholder's account fall below \$250 as a result of shareholder action, the Portfolios reserve the right to involuntarily redeem all shares in such account, in which case the account would be liquidated and the proceeds forwarded to the shareholder. Prior to any such redemption, a shareholder will be notified and given 60 days to increase the value of the account to \$250 or more.

TAXES, DIVIDENDS^ AND CAPITAL GAIN DISTRIBUTIONS

Taxes. Each of the Portfolios intends to distribute to shareholders substantially all of its net investment income, net capital gains and net gains from foreign currency transactions, if any, in order to continue to qualify for tax treatment as a regulated investment company. Thus, the Portfolios do not expect to pay any federal income or excise taxes.

Unless shareholders are exempt from income taxes, they must include all dividends and capital gain distributions in taxable income for federal, state, and local income tax purposes. Dividends and other distributions are taxable whether they are received in cash or automatically ^ reinvested in shares of that Portfolio or another fund in the INVESCO group.

A Portfolio may be subject to withholding of foreign taxes on dividends or interest it receives on foreign securities. Foreign taxes withheld will be treated as an expense of that Portfolio unless that Portfolio qualifies and elects to pass these taxes through to shareholders for use by them as a foreign tax credit or deduction.

Shareholders may be subject to backup withholding of 31% on dividends, capital gain distributions and redemption proceeds. Unless you are subject to backup withholding for other reasons, you can avoid backup withholding on your Portfolio account by ensuring that we have a correct, certified tax identification number.

Dividends and Capital Gain Distributions. Each Portfolio may earn ordinary or net investment income in the form of dividends and interest on its investments. The Portfolios' policy is to distribute substantially all of this

income, less Portfolio expenses, to shareholders on an annual basis, at the discretion of the Fund's board of directors.

In addition, a Portfolio realizes capital gains and losses when it sells securities for more or less than it paid. If total gains on sales exceed total losses (including losses carried forward from previous years), that Portfolio has a net realized capital gain. Net realized capital gains, if any, are distributed to shareholders at least annually, usually in December.

Dividends and capital gain distributions are paid to shareholders who hold shares on the record date of distribution regardless of how long the shares have been held. A Portfolio's share price will then drop by the amount of the distribution on the day the distribution is made. If a shareholder purchases shares immediately prior to the distribution, the shareholder will, in effect, have "bought" the distribution by paying the full purchase price, a portion of which is then returned in the form of a taxable distribution.

At the end of each year, information regarding the tax status of dividends and capital gain distributions is provided to shareholders. Net realized capital gains are divided into short-term and long-term gains depending upon how long that Portfolio held the security which gave rise to the gains. The capital gains distribution consists of long-term capital gains which are taxed at the capital gains rate. Short-term capital gains are included with income from dividends and interest as ordinary income and are paid to shareholders as taxable dividends.

Shareholders also may realize capital gains or losses when they sell their Portfolio shares at more or less than the price originally paid.

We encourage you to consult a tax adviser with respect to these matters. For further information see "Dividends, Capital Gain Distributions and Taxes" in the Statement of Additional Information.

ADDITIONAL INFORMATION

Voting Rights. All shares of the Fund have equal voting rights based on one vote for each share owned. Voting with respect to certain matters, such as ratification of independent accountants and the election of directors, will be by all of the Portfolios voting together. In other cases, such as voting upon an investment advisory contract, voting is on a Portfolio-by-Portfolio basis. To the extent permitted by law, when not all Portfolios are affected by a matter to be voted upon, only shareholders of the Portfolio or Portfolios affected by the matter will be entitled to vote thereon. The Fund is not generally required and does not expect to hold regular annual meetings of shareholders. However, when requested to do so in writing by the holders of 10% or more of the outstanding shares of the Fund or as may be required by applicable law or the Fund's Articles of Incorporation, the board of directors will call special meetings of shareholders. Directors may be removed by action of the holders of a majority of the outstanding shares of the Fund. The Fund will assist shareholders in communicating with other shareholders as required by the Investment Company Act of 1940.

INVESCO STRATEGIC PORTFOLIOS, INC.
A no-load mutual fund seeking
appreciation of capital and, with
respect to the Utilities Portfolio,
income.

PROSPECTUS

^ March 1, 1997

To receive general information and prospectuses on any of the INVESCO funds or retirement plans, or to obtain current account or price information or responses to other questions, call toll-free:

1-800-525-8085

To reach PAL, your 24-hour Personal Account Line^, call:

1-800-424-8085

You can find us on the World Wide Web:

<http://www.invesco.com>

Or write to:

INVESCO Funds Group, Inc., Distributor
^ Post Office Box 173706
Denver, Colorado 80217-3706

If you're in Denver, please visit one of our convenient Investor Centers:

Cherry Creek, 155-B Fillmore Street;
Denver Tech Center, 7800 East Union Avenue, Lobby Level

STATEMENT OF ADDITIONAL INFORMATION

^ March 1, 1997

INVESCO STRATEGIC PORTFOLIOS, INC.

A no-load mutual fund investing ^
in designated market sectors

Address:
7800 E. Union Avenue
Denver, Colorado 80237

Mailing Address:
Post Office Box 173706
Denver, Colorado 80217-3706

Telephone:
In continental U.S., 1-800-525-8085

INVESCO STRATEGIC PORTFOLIOS, INC. (the "Fund") is a diversified, managed, no-load mutual fund consisting of eight separate Portfolios of investments. It seeks to provide investors with capital appreciation (and, with respect to the Utilities Portfolio, income) through the investment of assets of its professionally managed Portfolios primarily in equity securities. Each of the Fund's separate Portfolios concentrates its investments in securities of companies principally engaged in the sector of business activity designated for investment by that Portfolio. Investors may purchase shares of any or all Portfolios. The following are available:

ENERGY Portfolio
ENVIRONMENTAL SERVICES Portfolio
FINANCIAL SERVICES Portfolio
GOLD Portfolio

HEALTH SCIENCES Portfolio
LEISURE Portfolio
TECHNOLOGY Portfolio
UTILITIES Portfolio

Additional portfolios may be offered in the future.

A Prospectus dated ^ March 1, 1997 for all of the Portfolios of the Fund ^ which provides the basic information you should know before investing in the respective Portfolios, may be obtained without charge from INVESCO Funds Group, Inc., Post Office Box 173706, Denver, Colorado 80217-3706. This Statement of Additional Information is not a Prospectus, but contains information in addition to and more detailed than that set forth in ^ the Prospectus. It is intended to provide you additional information regarding the activities and operations of the Fund and should be read in conjunction with the Prospectus.

Investment Adviser and Distributor: INVESCO Funds Group, Inc.

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INVESTMENT POLICIES AND RESTRICTIONS

In selecting securities for investment, each Portfolio's investment ^ adviser attempts to identify companies that have better-than-average earnings growth potential. The Fund seeks to purchase the securities of companies that are thought to be best situated in the relevant industry groupings for each Portfolio to benefit from the predicted economic environment.

Foreign Securities. The Gold and Environmental Services Portfolios may invest in foreign securities without limitation on the percentage of assets which may be so invested. Each of the other Portfolios (Energy, Financial Services, Health Sciences, Leisure, Technology and Utilities) may invest up to 25% of its total assets, measured at the time of purchase, directly in foreign securities. Securities of Canadian issuers and securities purchased by means of American Depository Receipts ("ADRs") are not subject to this 25% limitation. As described in the section of each Portfolio's Prospectus entitled "Investment Policies and Risks," foreign securities involve certain risks not associated with investment in domestic companies. Foreign companies generally are not subject to uniform accounting, auditing, and financial reporting standards comparable to those applicable to domestic companies. Securities of many foreign companies may be less liquid and more volatile than securities of comparable domestic companies. With respect to certain foreign countries, there may be a possibility of political developments which could affect investments in those countries. Finally, it may be more difficult for the Fund to obtain or to enforce a judgment against a foreign issuer than against a domestic issuer. In determining individual portfolio investments, however, the investment advisers will carefully consider all of the above.

Securities denominated in foreign currency, whether issued by a foreign or a domestic issuer, may be affected favorably or unfavorably by changes in currency rates and in exchange control regulations, and costs will be incurred in connection with conversions between various currencies.

Restricted/144A Securities. In recent years, a large institutional market has developed for certain securities that are not registered under the Securities Act of 1933 (the "1933 Act"). Institutional investors generally will not seek to sell these instruments to the general public, but instead will often depend on an efficient institutional market in which such unregistered securities can readily be resold or on an issuer's ability to honor a demand for repayment. Therefore, the fact that there are contractual or legal restrictions on resale to the general public or certain institutions is not dispositive of

the liquidity of such investments.

Rule 144A under the 1933 Act establishes a "safe harbor" from the registration requirements of the 1933 Act for resales of certain securities to qualified institutional buyers. Institutional markets for restricted securities that might develop as a result of Rule 144A could provide both readily ascertainable values for restricted securities and the ability to liquidate an investment in order to satisfy share redemption orders. An insufficient number of qualified institutional buyers interested in purchasing a Rule 144A-eligible security held by a Portfolio, however, could adversely affect the marketability of such portfolio security and the Portfolio might be unable to dispose of such security promptly or at reasonable prices.

American Depository Receipts. As discussed in the ^ Prospectus, the Portfolios may invest in American Depository Receipts ^("ADRs"). ADRs are receipts representing shares of a foreign corporation held by a U.S. bank that entitle the holder to all dividends and capital gains. ADRs are denominated in U.S. dollars and trade in the U.S. securities markets. ADRs may be issued in sponsored or unsponsored programs. In sponsored programs, the issuer makes arrangements to have its securities traded in the form of ADRs; in unsponsored programs, the issuer may not be directly involved in the creation of the program. Although the regulatory requirements with respect to sponsored and unsponsored programs are generally similar, the issuers of unsponsored ADRs are not obligated to disclose material information in the United States and, therefore, such information may not be reflected in the market value of the ADRs.

Forward Foreign Currency Contracts. As discussed in the section of ^ the Prospectus entitled "Investment Policies and Risks," the Fund may enter into forward contracts, which are included in the types of instruments sometimes known as derivatives, to purchase or sell foreign currencies as a hedge against possible variations in foreign exchange rates. A forward foreign currency contract is an agreement between the contracting parties to exchange an amount of currency at some future time at an agreed upon rate. The rate can be higher or lower than the spot rate between the currencies that are the subject of the contract. A forward contract generally has no deposit requirement, and such transactions do not involve commissions. By entering into a forward contract for the purchase or sale of the amount of foreign currency invested in a foreign security transaction, the Fund can hedge against possible variations in the value of the dollar versus the subject currency either between the date the foreign security is purchased or sold and the date on which payment is made or received or during the time the Fund holds the foreign security. The Fund will not speculate in forward currency contracts. The Fund will not attempt to hedge all of its foreign portfolio positions and will enter into such transactions only to the extent, if any, deemed appropriate by Fund management. The Fund will

not enter into a forward contract for a term of more than one year. Investors should be aware that hedging against a decline in the value of a currency in the foregoing manner does not eliminate fluctuations in the prices of portfolio securities or prevent losses if the prices of such securities decline. Furthermore, such hedging transactions preclude the opportunity for gain if the value of the hedged currency should rise. No predictions can be made with respect to whether the total of such transactions will result in a better or a worse position than had the Portfolio not entered into any forward contracts. Forward contracts may, from time to time, be considered illiquid, in which case they would be subject to the ^ Portfolios' limitation on investing in illiquid securities, discussed in the Prospectus.

Repurchase Agreements. As discussed in ^ the Prospectus, the Portfolios may enter into repurchase agreements with respect to debt instruments eligible for investment by the Portfolios with member banks of the Federal Reserve System, registered broker-dealers, and registered government securities dealers. A repurchase agreement may be considered a loan collateralized by securities. The resale price reflects an agreed upon interest rate effective for the period

the instrument is held by a Portfolio and is unrelated to the interest rate on the underlying instrument. In these transactions, the collateral securities acquired by a Portfolio (including accrued interest earned thereon) must have a total value in excess of the value of the repurchase agreement, and are held as collateral by the Fund's custodian bank until the repurchase agreement is completed.

Securities Lending. Each Portfolio also may lend its securities to qualified brokers, dealers, banks or other financial institutions. This practice permits the Portfolio to earn income which, in turn, can be invested in additional securities to pursue the Portfolio's investment objectives. Loans of securities by a Portfolio will be collateralized by cash, letters of credit or securities issued or guaranteed by the U.S. government or its agencies equal to at least 100% of the current market value of the loaned securities, determined on a daily basis. Lending securities involves certain risks, the most significant of which is the risk that a borrower may fail to return a portfolio security. The Fund monitors the creditworthiness of borrowers in order to minimize such risks. A Portfolio will not lend any security if, as a result of the loan, the aggregate value of securities then on loan would exceed 33 1/3% of the Portfolio's total assets (taken at market value).

Gold Bullion. As is also discussed in the Prospectus, the Gold Portfolio may invest up to 10% of its total assets in gold bullion. The two largest national producers of gold bullion are the Republic of South Africa and the Commonwealth of Independent States (the former Soviet Union). Changes in political and economic conditions affecting either country may have a direct

impact on that country's sales of gold bullion. The Gold Portfolio will purchase gold bullion from, and sell gold bullion to, banks (both U.S. and foreign) and dealers who are members of, or affiliated with members of, a regulated U.S. commodities exchange, in accordance with applicable investment laws. Values of gold bullion held by the Gold Portfolio are based upon daily quotes provided by banks or brokers dealing in such commodities.

Gas and Electric Utilities. The gas and electric public utilities industries are subject to various uncertainties, including: difficulty in obtaining adequate returns on invested capital; frequent difficulty in obtaining approval of rate increases by public service commissions; increased costs, delays and restrictions as a result of environmental considerations; difficulty and delay in securing financing of large construction projects; difficulties of the capital markets in absorbing utility debt and equity securities; difficulties in obtaining fuel for electric generation at reasonable prices; difficulty in obtaining natural gas for resale; and special risks associated with the construction and operation of nuclear power generating facilities, including technical and cost factors of such construction and operation and the possibility of imposition of additional governmental requirements for construction and operation.

Investment Restrictions. As described in the section of the Prospectus entitled "Investment Objective and Strategy," the Fund and each of the Portfolios operate under certain investment restrictions. These policies are fundamental and may not be changed with respect to a particular Portfolio without the prior approval of the holders of a majority, as defined in the Investment Company Act of 1940, as amended (the "1940 Act") of the outstanding voting securities of that Portfolio. For purposes of the following limitations, all percentage limitations apply immediately after a purchase or initial investment. Any subsequent change in a particular percentage resulting from fluctuations in value does not require elimination of any security from the Portfolio.

Under these restrictions, neither the Fund nor any Portfolio will:

- (1) issue senior securities as defined in the 1940 Act (except insofar as the Fund may be deemed to have issued a senior security by reason of entering into a repurchase agreement, or borrowing money, in accordance with the restrictions described below, and in accordance with the position of the staff of the Securities and Exchange Commission set forth in Investment Company Act Release No. 10666);

- (2) mortgage, pledge or hypothecate portfolio securities or borrow money, except borrowings from banks for temporary or emergency purposes (but not for investment) are permitted in an

amount not exceeding ^ with respect to the Financial Services, Health Sciences, Leisure, Technology or Utilities Portfolios 10%, or, with respect to the Energy, Environmental Services and Gold Portfolios, 33 1/3% of the value of the Portfolio's total assets, i.e., its total assets (including the amount borrowed) less liabilities (other than borrowings). Any borrowings that come to exceed the relevant 10% or 33 1/3% limitation by reason of a decline in total assets will be reduced within three business days to the extent necessary to comply with the relevant 10% or 33 1/3% limitation. A Portfolio will not purchase additional securities while any borrowings on behalf of that Portfolio exist;

- (3) buy or sell commodities, commodity contracts, oil, gas or other mineral interests or exploration programs (however, the Fund may purchase securities of companies which invest in the foregoing and may enter into forward contracts for the purchase or sale of foreign currencies, and the Gold Portfolio may invest up to 10% of its total assets in gold bullion);
- (4) purchase the securities of any company if as a result of such purchase more than 10% of total assets would be invested in securities which are subject to legal or contractual restrictions on resale ("restricted securities") and in securities for which there are no readily available market quotations; or enter into a repurchase agreement maturing in more than seven days, if as a result, such repurchase agreements, together with restricted securities and securities for which there are not readily available market quotations, would constitute more than 10% of total assets;
- (5) sell short or buy on margin, or write, purchase or sell puts or calls or combinations thereof;
- (6) buy or sell real estate or interests therein (however, securities issued by companies which invest in real estate or interests therein may be purchased and sold);
- (7) invest in the securities of any other investment company except for a purchase or acquisition in accordance with a plan of reorganization, merger or consolidation;
- (8) invest in any company for the purpose of exercising control or management;
- (9) engage in the underwriting of any securities, except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933 in disposing of a portfolio security;
- (10) make loans to any person, except through the purchase of debt securities in accordance with the investment policies of the Portfolios, or the lending of portfolio securities to broker-dealers or other institutional investors, or the entering into repurchase agreements with member banks of the Federal Reserve System, registered broker-dealers and registered government securities dealers. The aggregate value of all portfolio securities loaned may not exceed 33-1/3% of a Portfolio's

total net assets (taken at current value). No more than 10% of a Portfolio's total net assets may be invested in repurchase agreements maturing in more than seven days;

- (11) purchase securities of any company in which any officer or director of the Fund or its investment adviser owns more than 1/2 of 1% of the outstanding securities of such company and in which the officers and directors of the Fund and its investment adviser, as a group, own more than 5% of such securities;
- (12) purchase securities (except obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities) if the purchase would cause a Portfolio at the time to have more than 5% of the value of its total assets invested in the securities of any one issuer or to own more than 10% of the outstanding voting securities of any one issuer;
- (13) invest more than 5% of its total assets in an issuer having a record, together with predecessors, of less than three years' continuous operation.

In addition to the above restrictions, a fundamental policy of the Technology Portfolio is not to invest more than 25% of its total assets (taken at market value at the time of each investment) in the securities of issuers in any one industry. In applying this restriction, the Technology Portfolio uses an industry classification system based on the O'Neil Database published by William O'Neil & Co., Inc.

In applying restriction (4) above, each Portfolio also includes illiquid securities (those which cannot be sold in the ordinary course of business within seven days at approximately the valuation given to them by the Fund) among the securities subject to the 10% of total assets limit.

With respect to investment restriction (4) above, the board of directors has delegated to the Fund's investment adviser the authority to determine that a liquid market exists for securities eligible for resale pursuant to Rule 144A under the 1933 Act, or any successor to such rule, and that such securities are

not subject to ^ the Fund's limitations on investing in illiquid securities and securities for which there are no readily available market quotations. Under guidelines established by the board of directors, the adviser will consider the following factors, among others, in making this determination: (1) the unregistered nature of a Rule 144A security; (2) the frequency of trades and quotes for the security; (3) the number of dealers willing to purchase or sell the security and the number of other potential purchasers; (4) dealer undertakings to make a market in the security; and (5) the nature of the security and the nature of marketplace trades (e.g., the time needed to dispose of the security, the method of soliciting offers and the mechanics of transfer). However, Rule 144A Securities are still subject to the Fund's limitation on investments in restricted securities (securities for which there are legal or contractual restrictions on resale), unless they are readily marketable outside the United States, in which case they are not deemed to be restricted. ^

THE FUND AND ITS MANAGEMENT

The Fund. The Fund was incorporated under the laws of Maryland on August 10, 1983 as "Financial Strategic Portfolios, Inc." On December 2, 1994 the Fund changed its name to INVESCO Strategic Portfolios, Inc.

The Investment Adviser. INVESCO Funds Group, Inc., a Delaware corporation ("INVESCO"), is employed as the Fund's investment adviser. INVESCO was established in 1932 and also serves as an investment adviser to INVESCO Diversified Funds, Inc., INVESCO Dynamics Fund, Inc., INVESCO Emerging Opportunity Funds, Inc., INVESCO Growth Fund, Inc., INVESCO Income Funds, Inc., INVESCO Industrial Income Fund, Inc., INVESCO International Funds, Inc., INVESCO Money Market Funds, Inc., INVESCO Multiple Asset Funds, Inc., INVESCO Specialty Funds, Inc., INVESCO Tax-Free Income Funds, Inc., INVESCO Value Trust, and INVESCO Variable Investment Funds, Inc.

The Sub-Adviser. INVESCO, as investment adviser, has contracted with INVESCO Trust Company ("INVESCO Trust") to provide investment advisory and

research services on behalf of the Portfolios. INVESCO Trust, a trust company founded in 1969, and a wholly owned subsidiary of INVESCO, has the primary responsibility of providing portfolio investment management services to the Portfolios.

INVESCO is an indirect, wholly-owned subsidiary of ^ [AMVESCO] PLC, a publicly traded holding company organized in 1935. Through subsidiaries located in London, Denver, Atlanta, Boston, Louisville, Dallas, Tokyo, Hong Kong, and the Channel Islands, ^[AMVESCO] PLC provides ^ investment services around the world. [INVESCO PLC changed its name to AMVESCO PLC on _____, 1997 as part of a merger between INVESCO PLC and AIM Management Group, Inc. thus

creating one of the largest independent investment management businesses in the world. IFG and INVESCO Trust will continue to operate under their existing names. AMVESCO PLC has approximately \$150 billion in assets under management.] INVESCO was acquired by INVESCO PLC in 1982 and as of October 31, ^ 1996 managed 14 mutual funds, consisting of ^ 39 separate portfolios, on behalf of over ^ 829,000 shareholders. INVESCO PLC's other North American subsidiaries include the following:

--INVESCO Capital Management, Inc. of Atlanta, Georgia manages institutional investment portfolios, consisting primarily of discretionary employee benefit plans for corporations and state and local governments and endowment funds. INVESCO Capital Management, Inc. is the sole shareholder of INVESCO Services, Inc., a registered broker-dealer whose primary business is the distribution of shares of two registered investment companies.

--INVESCO Management & Research, Inc. (formerly Gardner and Preston Moss, Inc.), of Boston, Massachusetts, primarily manages pension and endowment accounts.

--PRIMCO Capital Management, Inc. of Louisville, Kentucky, specializes in managing stable return investments, principally on behalf of Section 401(k) retirement plans.

--INVESCO Realty Advisors, Inc. of Dallas, Texas is responsible for providing advisory services in the U.S. real estate markets for ^[AMVESCO] PLC's clients worldwide. Clients include corporate plans^ and public pension funds as well as endowment and foundation accounts.

The corporate headquarters of ^[AMVESCO] PLC are located at 11 Devonshire Square, London, EC2M 4YR, England.

As indicated in the ^ Prospectus, INVESCO permits investment and other personnel to purchase and sell securities for their own accounts in accordance with a compliance policy governing personal investing by directors, officers and employees of INVESCO and its North American affiliates. The policy requires officers, inside directors, investment and other personnel of INVESCO and its North American affiliates to pre-clear all transactions in securities not otherwise exempt under the policy. Requests for trading authority will be denied when, among other reasons, the proposed personal transaction would be contrary to the provisions of the policy or would be deemed to adversely affect any transaction then known to be under consideration for or to have been effected on behalf of any client accounts, including the Portfolios.

In addition to the pre-clearance requirements described above, the policy subjects officers, inside directors, investment and other personnel of INVESCO and its North American affiliates to various trading restrictions and reporting obligations. All reportable transactions are reviewed for compliance with the

policy. The provisions of the policy are administered by and subject to exceptions authorized by INVESCO.

Investment Advisory Agreement. INVESCO serves as investment adviser pursuant to an investment advisory agreement (the "Agreement") with the Fund which was approved on ^ November 6, 1996, by a vote cast in person by a majority of the directors of the Fund, including a majority of the directors who are not "interested persons" of the Fund or INVESCO at a meeting called for such purpose. The Agreement was approved by shareholders of each Portfolio of the Fund on ^ January 31, 1997, for an initial term expiring ^ January 31, 1999. Thereafter, the Agreement may be continued from year to year as to each Portfolio as long as such continuance is specifically approved at least annually by the board of directors of the Fund, or by a vote of the holders of a majority, as defined in the 1940 Act, of the outstanding shares of the Portfolio. Any such continuance also must be approved by a majority of the Fund's directors who are not parties to the Agreement or interested persons (as defined in the 1940 Act) of any such party, cast in person at a meeting called for the purpose of voting on such continuance. The Agreement may be terminated at any time without penalty by either party upon sixty (60) days' written notice and terminates automatically in the event of an assignment to the extent required by the 1940 Act and the rules thereunder.

The Agreement provides that INVESCO shall manage the investment portfolios of the Fund's Portfolios in conformity with the Portfolios' investment policies (either directly or by delegation to a sub-adviser which may be a company affiliated with INVESCO). Further, INVESCO shall perform all administrative, internal accounting (including computation of net asset value), clerical, statistical, secretarial and all other services necessary or incidental to the administration of the affairs of the Fund excluding, however, those services that are the subject of separate agreement between the Fund and INVESCO or any affiliate thereof, including the distribution and sale of Fund shares and provision of transfer agency, dividend disbursing agency, and registrar services, and services furnished under an Administrative Services Agreement with INVESCO discussed below. Services provided under the Agreement include, but are not limited to: supplying the Fund with officers, clerical staff and other employees, if any, who are necessary in connection with the Fund's operations; furnishing office space, facilities, equipment ^ and supplies; providing personnel and facilities required to respond to inquiries related to shareholder accounts; conducting periodic compliance reviews of the Fund's operations; preparation and review of required documents, reports and filings by INVESCO's in-house legal and accounting staff (including the prospectus, statement of additional information, proxy statements, shareholder reports, tax returns, reports to the SEC^ and other corporate documents of the Fund), except insofar as the assistance of independent accountants or attorneys is necessary or

desirable; supplying basic telephone service and other utilities; and preparing and maintaining certain of the books and records required to be prepared and maintained by the Fund under the 1940 Act. Expenses not assumed by INVESCO are borne by the Fund.

As full compensation for its advisory services to the Fund, INVESCO receives a monthly fee. The fee is calculated daily at an annual rate of: 0.75% on the first \$350 million of the average net assets of each Portfolio of the Fund; 0.65% on the next \$350 million of the average net assets of each Portfolio of the Fund; and 0.55% of each Portfolio's average net assets in excess of \$700 million. The advisory fee is calculated daily at the applicable annual rate and paid monthly. While the portions of INVESCO's fees which are equal to 0.75% of the net assets are higher than those generally charged by investment advisers to mutual funds, they are not higher than those charged by most other investment advisers to funds comparable to the Portfolios of the Fund, whose assets are primarily invested in securities of companies principally engaged in the sector or business activity designated for investment by each Portfolio.

Sub-Advisory Agreements. INVESCO Trust serves as sub-adviser to all of the Portfolios pursuant to a sub-advisory agreement (the "Sub-Agreement") with INVESCO which was approved on ^ November 6, 1996, by a vote cast in person by a majority of the directors of the Fund, including a majority of the directors who are not "interested persons" of the Fund, INVESCO, or INVESCO Trust at a meeting called for such purpose. The Sub-Agreement was approved on ^ January 31, 1997, by the shareholders of each of the Portfolios for an initial term expiring ^ January 31, 1999 . Thereafter, the Sub-Agreement may be continued from year to year as to each Portfolio as long as such continuance is specifically approved by the board of directors of the Fund, or by a vote of the holders of a

majority, as defined in the 1940 Act, of the outstanding shares of the Portfolio. Each such continuance also must be approved by a majority of the directors who are not parties to the Sub-Agreement or interested persons (as defined in the 1940 Act) of any such party, cast in person at a meeting called for the purpose of voting on such continuance. The Sub-Agreement may be terminated at any time without penalty by either party or the Fund upon sixty (60) days' written notice, and terminate automatically in the event of an assignment to the extent required by the 1940 Act and the rules thereunder.

The Sub-Agreement provides that INVESCO Trust, subject to the supervision of INVESCO, shall manage the investment portfolios of the Portfolios in conformity with each such Portfolio's investment policies. These management services would include: (a) managing the investment and reinvestment of all the assets, now or hereafter acquired, of the Portfolios^ and executing all

purchases and sales of portfolio securities; (b) maintaining a continuous investment program for the Fund's Portfolios, consistent with (i) the Fund's Portfolios' investment policies as set forth in the Fund's Articles of Incorporation, Bylaws, and Registration Statement, as from time to time amended, under the 1940 Act, as amended, and in any prospectus and/or statement of additional information of the Fund, as from time to time amended and in use under the 1933 Act, and (ii) the Fund's status as a regulated investment company under the Internal Revenue Code of 1986, as amended; (c) determining what securities are to be purchased or sold for each Portfolio, unless otherwise directed by the directors of the Fund or INVESCO, and executing transactions accordingly; (d) providing each Portfolio the benefit of all of the investment analysis and research, the reviews of current economic conditions and trends, and the consideration of long-range investment policy now or hereafter generally available to investment advisory customers of the Sub- Adviser; (e) determining what portion of each Portfolio should be invested in the various types of securities authorized for purchase by such Portfolio; and (f) making recommendations as to the manner in which voting rights, rights to consent to Fund action and any other rights pertaining to the portfolio securities of each Portfolio shall be exercised.

The Sub-Agreement with INVESCO Trust provides that as compensation for its services, INVESCO Trust shall receive from INVESCO, at the end of each month, a fee based upon the average daily value of the Portfolios' average net assets at the following annual rates: 0.25% on the first \$200 million of each Portfolio's average net assets, and 0.20% of each Portfolio's average net assets in excess of \$200 million. The Sub-Advisory fee is paid by INVESCO, NOT the Fund's Portfolios.

Administrative Services Agreement. INVESCO, either directly or through affiliated companies, also provides certain administrative, sub-accounting^ and recordkeeping services to the Fund pursuant to an Administrative Services Agreement dated April 30, 1993 (the "Administrative Agreement"). The Administrative Agreement was approved on ^ November 6, 1996, by a vote cast in person by all of the directors of the Fund, including all of the directors who are not "interested persons" of the Fund or INVESCO at a meeting called for such purpose. The Administrative Agreement ^ is for an initial term of one year ^. Thereafter, the Administrative Agreement may be continued from year to year as long as each such continuance is specifically approved by the board of directors of the Fund, including a majority of the directors who are not parties to the Administrative Agreement or interested persons (as defined in the 1940 Act) of any such party, cast in person at a meeting called for the purpose of voting on such continuance. The Administrative Agreement may be terminated at any time without penalty by INVESCO on sixty (60) days' written notice, or by the Fund upon thirty (30) days' written notice, and terminates automatically in the event

of an assignment unless the Fund's board of directors approves such assignment.

The Administrative Agreement provides that INVESCO shall provide the

following services to the Fund: (A) such sub-accounting and recordkeeping services and functions as are reasonably necessary for the operation of the Fund; and (B) such sub-accounting, recordkeeping, and administrative services and functions as are reasonably necessary for the operation of Fund shareholder accounts maintained by certain retirement plans and employee benefit plans for the benefit of participants in such plans. As full compensation for services provided under the Administrative Agreement, the Fund pays a fee to INVESCO consisting of a base fee of \$10,000 per year per Portfolio, plus an additional incremental fee computed daily and paid monthly, by each Portfolio, at an annual rate of 0.015% of the average net assets of the Portfolio.

Transfer Agency Agreement. INVESCO also performs transfer agent, dividend disbursing agent, and registrar services for the Fund pursuant to a Transfer Agency Agreement, which was approved by the board of directors of each Portfolio of the Fund, including a majority of the Fund's directors who are not parties to the Transfer Agency Agreement or "interested persons" of any such party, ^ on November 6, 1996, for a term of one year. The Transfer Agency Agreement ^ may be continued from year to year as to each Portfolio as long as such continuance is specifically approved at least annually by the board of directors of the Fund, or by a vote of the holders of a majority of the outstanding shares of the Portfolio. Any such continuance must also be approved by a majority of the Fund's directors who are not parties to the Transfer Agency Agreement or interested persons (as defined by the 1940 Act) of any such party, cast in person at a meeting called for the purpose of voting on such continuance. The Transfer Agency Agreement may be terminated at any time without penalty by either party upon sixty (60) days' written notice and terminates automatically in the event of assignment.

The Transfer Agency Agreement provides that the Fund shall pay to INVESCO a fee of ^ \$20.00 per shareholder account or omnibus account participant per year. This fee is paid monthly at 1/12 of the annual fee and is based upon the actual number of shareholder accounts and omnibus account participants in existence during each month.

Set forth below is a table showing the advisory fees, transfer agency fees and administrative fees paid by each of the Fund's Portfolios for the fiscal years ended October 31, 1996, 1995^ and 1994^.

<TABLE>
<CAPTION>

	Year Ended October 31, 1996			Year Ended October 31, 1995			Year Ended October 31, 1994 ^		
	Advisory Fees	Transfer Agency Fees (1)	Administrative Services Fees	Advisory Fees	Transfer Agency Fees	Administrative Services Fees	Advisory Fees	Transfer Agency Fees	Administrative Services Fees
<S> Energy	<C> \$813,779	<C> \$385,446	<C> \$26,275	<C> \$454,001	<C> \$304,482	<C> \$19,080	<C> \$441,225	<C> \$194,559	<C> \$18,824^
Environmental Services(2)	237,561	227,295	14,751	234,331	250,666	14,686	377,534	202,954	17,551^
Financial Services	3,306,980	1,298,961	78,234	2,128,548	1,083,492	52,704	2,263,193	876,890	55,272
^ Gold	2,136,116	889,509	52,965	1,544,711	826,471	40,898	2,271,031	546,153	55,432^
Health Sciences	7,016,028	2,584,098	172,697	4,221,937	1,991,219	99,730	3,612,598	1,722,908	85,291
^ Leisure	2,026,976	1,133,674	50,540	2,063,891	1,099,340	51,278	2,114,155	773,534	52,285
^ Technology	4,677,778	1,863,571	110,454	3,210,186	1,236,694	76,216	1,936,283	726,596	48,725
Utilities(2)	1,032,013	471,705	30,640	952,421	481,868	29,048	1,118,503	350,954	32,370
^ Totals	\$21,247,231	\$8,854,259	\$536,556	\$14,810,026	\$7,274,232	\$383,640	\$14,134,522	\$5,394,548	\$365,750^

</TABLE>

(1) Includes amounts earned as credits by the Portfolios from security brokerage transactions under certain broker/service arrangements with third parties.

(2) These amounts do not reflect the voluntary expense limitations applicable to the Environmental Services and Utilities Portfolios described in the Portfolios' ^ Prospectus.

Officers and Directors of the Fund. The overall direction and supervision of the Fund is the responsibility of the board of directors, which has the primary duty of seeing that the Fund's general investment policies and programs of the Fund are carried out and that the Fund's Portfolios are properly administered. The officers of the Fund, all of whom are officers and employees of, and are paid by, INVESCO, are responsible for the day-to-day administration of the Fund. The investment adviser for each Portfolio has the primary responsibility for making investment decisions on behalf of that Portfolio. These investment decisions are reviewed by the investment committee of INVESCO.

All of the officers and directors of the Fund hold comparable positions with INVESCO Diversified Funds, Inc., INVESCO Dynamics Fund, Inc., INVESCO Emerging Opportunity Funds, Inc., INVESCO Growth Fund, Inc., INVESCO Income Funds, Inc., INVESCO Industrial Income Fund, Inc., INVESCO International Funds, Inc., INVESCO Money Market Funds, Inc., INVESCO Multiple Asset Funds, Inc., INVESCO Specialty Funds, Inc., INVESCO Tax-Free Income Funds, Inc., and INVESCO Variable Investment Funds, Inc. All of the directors of the Fund also serve as trustees of INVESCO Value Trust. In addition, all of the directors of the Fund also are ^ directors of INVESCO Advisor Funds, Inc. (formerly known as "The EBI Funds, Inc."); and trustees of INVESCO Treasurer's Series Trust. All of the officers of the Fund also hold comparable positions with INVESCO Value Trust. Set forth below is information with respect to each of the Fund's officers and directors. Unless otherwise indicated, the address of the directors and officers is Post Office Box 173706, Denver, Colorado 80217-3706. Their affiliations represent their principal occupations during the past five years.

CHARLES W. BRADY,** Chairman of the Board. Chief Executive Officer and Director of ^ AMVESCO PLC, London, England, and of various subsidiaries thereof; Chairman of the Board of INVESCO Advisor Funds, Inc., INVESCO Treasurer's Series Trust and The Global Health Sciences Fund. Address: 1315 Peachtree Street, NE, Atlanta, Georgia. Born: May 11, 1935.

FRED A. DEERING,+# Vice Chairman of the Board. Vice Chairman of INVESCO Advisor Funds, Inc. and INVESCO Treasurer's Series Trust. Trustee of The Global Health Sciences Fund. Formerly, Chairman of the Executive Committee and Chairman of the Board of Security Life of Denver Insurance Company, Denver, Colorado; Director of ^ ING America Life Insurance Company, Urbaine Life Insurance Company and Midwestern United Life Insurance Company. Address: Security Life Center, 1290 Broadway, Denver, Colorado. Born: January 12, 1928.

DAN J. HESSER,** President and Director. Chairman of the Board, President, and Chief Executive Officer of INVESCO Funds Group, Inc.^ and Director of INVESCO Trust Company. Director of INVESCO Advisor Funds, Inc. Trustee of The

Global Health Sciences Fund and INVESCO Treasurer's Series Trust. Born: December 27, 1939.

VICTOR L. ANDREWS,** Director. ^ Professor Emeritus, Chairman Emeritus and Chairman of the CFO Roundtable of the Department of Finance at Georgia State University, Atlanta, Georgia^; President, Andrews Financial Associates, Inc. (consulting firm); since October 1984, Director of the Center for the Study of Regulated Industry at Georgia State University; formerly, member of the

faculties of the Harvard Business School and the Sloan School of Management of MIT. Dr. Andrews is also a director of the Southeastern Thrift and Bank Fund, Inc. and The Sheffield Funds, Inc. Address: ^ 4625 Jettridge Drive, Atlanta, Georgia. Born: June 23, 1930.

BOB R. BAKER,*** Director. President and Chief Executive Officer of AMC Cancer Research Center, Denver, Colorado, since January 1989; until mid-December 1988, Vice Chairman of the Board of First Columbia Financial Corporation (a financial institution), Englewood, Colorado. Formerly, Chairman of the Board and Chief Executive Officer of First Columbia Financial Corporation.^ Address: 1775 Sherman Street, #1000, Denver, Colorado. Born: August 7, 1936.

^

LAWRENCE H. BUDNER,# Director. Trust Consultant; prior to June 30, 1987, Senior Vice President and Senior Trust Officer of InterFirst Bank, Dallas, Texas. Address: 7608 Glen Albens Circle, Dallas, Texas. Born: July 25, 1930.

DANIEL D. CHABRIS,+# Director. Financial Consultant; Assistant Treasurer of Colt Industries Inc., New York, New York, from 1966 to 1988. Address: 15 Sterling Road, Armonk, New York. Born: August 1, 1923.

A. D. FRAZIER, JR.^,** Director. Executive Vice President of AMVESCO PLC (since November 1996). Formerly, Senior Executive Vice President and Chief Operating Officer of the Atlanta Committee for the Olympic Games. From 1982 to 1991, Mr. Frazier was employed in various capacities by First Chicago ^ Bank. Trustee of The Global Health Sciences Fund. Director of Magellan Health Services, Inc. and of Charter Medical Corp. Address: 250 Williams Street, Suite 6000, Atlanta, Georgia ^. Born: June 23, 1944.

HUBERT L. HARRIS, JR.*, Director. Chairman (since May 1996), President (January 1990 to April 1996) of INVESCO Services, Inc. Director of AMVESCO PLC and Chief Executive Officer of INVESCO Individual Services Group. Member of the Executive Committee of the Alumni Board of Trustees of Georgia Institute of Technology. Address: 1315 Peachtree Street, NE, Atlanta, Georgia. Born: July 15, 1943.

KENNETH T. KING,** Director. Formerly, Chairman of the Board of The Capitol Life Insurance Company, Providence Washington Insurance Company, and Director of numerous subsidiaries thereof in the U.S. Formerly, Chairman of the Board of The Providence Capitol Companies in the United Kingdom and Guernsey. Chairman of the Board of the Symbion Corporation (a high technology company) until 1987. Address: 4080 North Circulo Manzanillo, Tucson, Arizona. Born: November 16, 1925.

JOHN W. MCINTYRE,# Director. Retired. Formerly, Vice Chairman of the Board of Directors of the Citizens and Southern Corporation and Chairman of the Board and Chief Executive Officer of the Citizens and Southern Georgia Corporation and Citizens and Southern National Bank. Director of Golden Poultry Co., Inc. Trustee of The Global Health Sciences Fund and Gables Residential Trust. Address: Seven Piedmont Center, Suite 100, Atlanta, Georgia 30305. Born: September 14, 1930.

^

GLEN A. PAYNE, Secretary. Senior Vice President (since 1995), General Counsel and Secretary of INVESCO Funds Group, Inc. and INVESCO Trust Company; Vice President (May 1989 to April 1995) of INVESCO Funds Group, Inc. and INVESCO Trust Company. Formerly, employee of a U.S. regulatory agency, Washington, D.C., (June 1973 through May 1989). Born: September 25, 1947.

RONALD L. GROOMS, Treasurer. Senior Vice President and Treasurer of INVESCO Funds Group, Inc. and INVESCO Trust Company since January 1988. Born: October 1,

1946.

WILLIAM J. GALVIN, JR., Assistant Secretary. Senior Vice President of INVESCO Funds Group, Inc. and Trust Officer of INVESCO Trust Company ^ since July 1995 and formerly (August 1992 to July 1995) Vice President of INVESCO Funds Group, Inc. and trust officer of INVESCO Trust Company. Formerly, Vice President of 440 Financial Group from June 1990 to August 1992; Assistant Vice President of Putnam Companies from November 1986 to June 1990. Born: August 21, 1956.

ALAN I. WATSON, Assistant Secretary. Vice President of INVESCO Funds Group, Inc. and Trust Officer of INVESCO Trust Company. Born: September 14, 1941.

JUDY P. WIESE, Assistant Treasurer. Vice President of INVESCO Funds Group, Inc. and Trust Officer of INVESCO Trust Company. Born: February 3, 1948.

#Member of the audit committee of the Fund.

+Member of the executive committee of the Fund. On occasion, the executive committee acts upon the current and ordinary business of the Fund between meetings of the board of directors. Except for certain powers which, under applicable law, may only be exercised by the full board of directors, the executive committee may exercise all powers and authority of the board of directors in the management of the business of the Fund. All decisions are subsequently submitted for ratification by the board of directors.

*These directors are "interested persons" of the Fund as defined in the 1940 Act.

**Member of the management liaison committee of the Fund.

As of December ^ 20, 1996, officers and directors of the Fund, as a group, beneficially owned less than 1% of the outstanding shares of the Fund and of each Portfolio of the Fund.

Director Compensation

The following table sets forth, for the fiscal year ended October 31, ^ 1996: the compensation paid by the Fund to its eight independent directors for services rendered in their capacities as directors of the Fund; the benefits accrued as Fund expenses with respect to the Defined Benefit Deferred Compensation Plan discussed below; and the estimated annual benefits to be received by these directors upon retirement as a result of their service to the Fund. In addition, the table sets forth the total compensation paid by all of the mutual funds distributed by INVESCO Funds Group, Inc. (including the Fund), INVESCO Advisor Funds, Inc., INVESCO Treasurer's Series Trust, and The Global Health Sciences Fund (collectively, the "INVESCO Complex") to these directors for services rendered in their capacities as directors or trustees during the year ended December 31, ^ 1996. As of December 31, 1995, there were 48 funds in the INVESCO Complex.

	Aggregate Compensa- tion From Fund(1)	Benefits Accrued As Part of Fund Expenses(2)	Estimated Annual Benefits Upon Retirement(3)	Total Compensa- tion From INVESCO Complex Paid To Directors(1)
Fred A. Deering, Vice Chairman of the Board	^ \$15,392	\$4,536	\$3,775	\$87,350
Victor L. Andrews	^ 14,147	3,995	4,162	68,000

Bob R. Baker	^ 14,418	4,119	5,577	73,000
Lawrence H. Budner	^ 13,767	4,286	4,162	68,350
Daniel D. Chabris	^ 14,492	4,891	2,958	73,350
A. D. Frazier, ^Jr.(4),(5)	13,476	0	0	63,500
Kenneth T. King	^ 14,262	4,710	3,424	70,000
John W. McIntyre(4)	^ 13,550	0	0	67,850
^ Total	\$113,504	\$26,537	\$24,058	\$571,400
% of Net Assets	^ 0.0035%(6)	0.0008%(6)		0.0043%(7)

(1)The vice chairman of the board, the chairmen of the audit, management liaison and compensation committees, and the members of the executive and valuation committees each receive compensation for serving in such capacities in addition to the compensation paid to all independent directors.

(2)Represents estimated benefits accrued with respect to the Defined Benefit Deferred Compensation Plan discussed below, and not compensation deferred at the election of the directors.

(3)These figures represent the Fund's share of the estimated annual benefits payable by the INVESCO Complex (excluding The Global Health Sciences Fund, which does not participate in any retirement plan) upon the directors' retirement, calculated using the current method of allocating director compensation among the funds in the INVESCO Complex. These estimated benefits assume retirement at age 72 and that the basic retainer payable to the directors will be adjusted periodically for inflation, for increases in the number of funds in the INVESCO Complex, and for other reasons during the period in which retirement benefits are accrued on behalf of the respective directors. This results in lower estimated benefits for directors who are closer to retirement and higher estimated benefits for directors who are further from retirement. With the exception of Messrs. Frazier and McIntyre, each of these directors has served as a director/trustee of one or more of the funds in the INVESCO Complex for the minimum five-year period required to be eligible to participate in the Defined Benefit Deferred Compensation Plan.

(4)Messrs. Frazier and McIntyre began serving as directors of the Fund on April 19, 1995.

(5)Effective November 1, 1996, Mr. Frazier was employed by AMVESCO PLC, a company affiliated with INVESCO. Because it was possible that Mr. Frazier would be employed with [AMVESCO] PLC effective May 1, 1996, he was deemed to be an "interested person" of the Fund and of the other funds in the INVESCO Complex.

Effective November 1, 1996, Mr. Frazier will no longer receive any director's fees or other compensation from the Company or other funds in the INVESCO Complex for his services as a director.

(6)Totals ^ as a percentage of the Fund's net assets as of October 31, ^ 1996.

^ (7)Total as a percentage of the net assets of the INVESCO Complex as of December 31, 1995.

Messrs. ^ Brady, Harris, Hesser, and ^ effective November 1, 1996, Frazier, as "interested persons" of the Fund and the other funds in the INVESCO

Complex, receive compensation as officers or employees of INVESCO or its affiliated companies, and do not receive any director's fees or other compensation from the Fund or the other funds in the INVESCO Complex for their service as directors.

The boards of directors/trustees of the mutual funds managed by INVESCO, INVESCO Advisor Funds, Inc. and INVESCO Treasurer's Series Trust have adopted a Defined Benefit Deferred Compensation Plan for the non-interested directors and trustees of the funds. Under this plan, each director or trustee who is not an interested person of the funds (as defined in the 1940 Act) and who has served for at least five years (a "qualified director") is entitled to receive, upon retiring from the boards at the mandatory retirement age of 72 (or the retirement age of 73 to 74, if the retirement date is extended by the boards for one or two years but less than three years), continuation of payments for one year (the "first year retirement benefit") of the annual basic retainer payable by the funds to the qualified director at the time of his retirement (the "basic retainer"). Commencing with any such director's second year of retirement, and commencing with the first year of retirement of a director whose retirement has been extended by the board for three years, a qualified director shall receive quarterly payments at an annual rate equal to 25% of the basic retainer. These payments will continue for the remainder of the qualified director's life or ten years, whichever is longer (the "reduced retainer payments"). If a qualified director dies or becomes disabled after age 72 and before age 74 while still a director of the funds, the first year retirement benefit and the reduced retainer payments will be made to him or to his beneficiary or estate. If a qualified director becomes disabled or dies either prior to age 72 or during his 74th year while still a director of the funds, the director will not be entitled to receive the first year retirement benefit; however, the reduced retainer payments will be made to his beneficiary or estate. The plan is administered by a committee of three directors who are also participants in the plan and one director who is not a plan participant. The cost of the plan will be allocated among the INVESCO, INVESCO Advisor Funds, Inc. and Treasurer's Series funds in a

manner determined to be fair and equitable by the committee. The Fund is not making any payments to directors under the plan as of the date of this Statement of Additional Information. The Fund has no stock options or other pension or retirement plans for management or other personnel and pays no salary or compensation to any of its officers.

The Fund has an audit committee which is comprised of four of the directors who are not interested persons of the Fund. The committee meets periodically with the Fund's independent accountants and officers to review accounting principles used by the Fund, the adequacy of internal controls, the responsibilities and fees of the independent accountants, and other matters.

The Fund also has a management liaison committee which meets quarterly with various management personnel of INVESCO in order (a) to facilitate better understanding of management and operations of the Fund, and (b) to review legal and operational matters which have been assigned to the committee by the board of directors, in furtherance of the board of directors' overall duty of supervision.

HOW SHARES CAN BE PURCHASED

The shares of each Portfolio are sold on a continuous basis at the net asset value per share of the Portfolio next calculated after receipt of a purchase order in good form. The net asset value per share for each Portfolio is computed separately for each Portfolio and is determined once each day that the New York Stock Exchange is open as of the close of regular trading on that Exchange, but may also be computed at other times. See "How Shares Are Valued." INVESCO acts as the Fund's Distributor under a distribution agreement with the Fund under which it receives no compensation and bears all expenses, including the costs of printing and distribution of prospectuses incident to direct sales and distribution of Fund shares on a no-load basis.

HOW SHARES ARE VALUED

As described in the section of each Portfolio's Prospectus entitled "Fund Price ^ And Performance," the net asset value of shares of each Portfolio of the Fund is computed once each day that the New York Stock Exchange is open as of the close of regular trading on that Exchange (generally 4:00 p.m., New York time) and applies to purchase and redemption orders received prior to that time.

Net asset value per share is also computed on any other day on which there is a sufficient degree of trading in the securities held by a Portfolio that the current net asset value per share might be materially affected by changes in the value of the securities held, but only if on such day the Fund receives a request to purchase or redeem shares of that Portfolio. Net asset value per share is not calculated on days the New York Stock Exchange is closed, such as

federal holidays including New Year's Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving^ and Christmas.

The net asset value per share of each Portfolio is calculated by dividing the value of all securities held by that Portfolio and its other assets (including dividends and interest accrued but not collected), less the Portfolio's liabilities (including accrued expenses) by the number of outstanding shares of that Portfolio. Securities traded on national securities exchanges, the NASDAQ National Market System, the NASDAQ Small Cap Market and foreign markets are valued at their last sale prices on the exchanges or markets where such securities are primarily traded. Securities traded in the over-the-counter market for which last sales prices are not available, and listed securities for which no sales are reported on a particular date, are valued at their highest closing bid prices (or, for debt securities, yield equivalents thereof) obtained from one or more dealers making markets for such securities. If market quotations are not readily available, securities will be valued at their fair values as determined in good faith by the Fund's board of directors or pursuant to procedures adopted by authority of the board of directors. The above procedures may include the use of valuations furnished by a pricing service which employs a matrix to determine valuations for normal institutional-size trading units of debt securities. Prior to utilizing a pricing service, the Fund's board of directors reviews the methods used by such service to assure itself that securities will be valued at their fair values. The Fund's board of directors also periodically monitors the methods used by such pricing services. Debt securities with remaining maturities of 60 days or less at the time of purchase are normally valued at amortized cost.

The values of securities held by the Portfolios and other assets used in computing net asset value generally are determined as of the time regular trading in such securities or assets is completed each day. ^ Because regular trading in most foreign securities markets is completed simultaneously with, or prior to, the close of regular trading on the New York Stock Exchange, closing prices for foreign securities usually are available for purposes of computing the Portfolios' net asset value. However, in the event that the closing price of a foreign security is not available in time to calculate a Portfolio's net asset value on a particular day, the Fund's board of directors has authorized the use of the market price for the security obtained from an approved pricing service at an established time during the day which may be prior to the close of regular trading in the security. The value of all assets and liabilities expressed in foreign currencies will be converted into U.S. dollars at the spot rate of such currencies against U.S. dollars provided by an approved pricing service.

FUND PERFORMANCE

As discussed in the section of each Portfolio's Prospectus entitled "Fund Price ^ And Performance," the Fund advertises the total return performance of the Portfolios, as well as the yield of the Utilities Portfolio. Average annual total return performance for each Portfolio for the indicated periods ended October 31, ^ 1996, was as follows:

Portfolio	1 Year	5 Years	10 Years/ Life of Portfolio
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Energy	^ 49.33%	6.51%	7.95%
Environmental Services	^ 25.58%	2.98%	4.58%(1)
Financial Services	31.48%	19.40%	18.32%
Gold	53.55%	13.45%	5.04%
Health Sciences	17.99%	8.30%	20.13%
Leisure	10.66%	16.29%	16.30%
Technology	19.98%	21.72%	20.53%
Utilities	17.18%	12.42%	10.53%

(1) The Environmental Services Portfolio did not commence operations until January 2, 1991. The total return of Environmental Services for the 70-month period from January 2, 1991 (date of inception) through October 31, 1996 was 4.58%. ^

Average annual total return performance for each of the periods indicated was computed by finding the average annual compounded rates of return that would equate the initial amount invested to the ending redeemable value, according to the following formula:

$$P(1 + T)^n = ERV$$

where: P = initial payment of \$1000
T = average annual total return
n = number of years
ERV = ending redeemable value of initial payment

The average annual total return performance figures shown above were determined by solving the above formula for "T" for each time period and Portfolio indicated.

The yield of the Utilities Portfolio for the month ended October 31, ^ 1996, was ^ 2.92%. This yield was computed by dividing the net investment income per share earned during the period as calculated according to a prescribed formula by the net asset value per share on October 31, ^ 1996. Because dividends received on the common stocks held by the Utilities Portfolio are generally paid near the end of calendar quarters and are accounted for on

ex-dividend dates, such dividend income is recognized, for purposes of yield calculations, on an annualized basis.

In conjunction with performance reports and/or analyses for the Portfolios, comparative data between a Portfolio's performance for a given period and recognized indices of investment results for the same period, and/or assessments of the quality of shareholder service, may be provided to shareholders. Such indices include indices provided by Dow Jones & Company, Standard & Poor's, Lipper Analytical Services, Inc., Lehman Brothers, National Association of Securities Dealers Automated Quotations, Frank Russell Company, Value Line Investment Survey, the American Stock Exchange, Morgan Stanley Capital International, Wilshire Associates, the Financial Times Stock Exchange, the New York Stock Exchange, the Nikkei Stock Average and Deutcher Aktienindex, all of which are unmanaged market indicators. In addition, rankings, ratings^ and comparisons of investment performance and/or assessments of the quality of shareholder service made by independent sources may be used in advertisements, sales literature or shareholder reports, including reprints of, or selections from, editorials or articles about the Funds. These sources utilize information compiled (i) internally; (ii) by Lipper Analytical Services, Inc.; or (iii) by other recognized analytical services. The Lipper Analytical Services, Inc. mutual fund rankings and comparisons which may be used by the Portfolios in performance reports will be drawn from the mutual fund groupings listed in each Portfolio's prospectus, in addition to the broad-based Lipper general fund groupings. Sources for Portfolio performance information and articles about the Portfolios include, but are not limited to, the following:

American Association of Individual Investors' Journal

Banxquote
Barron's
Business Week
CDA Investment Technologies
CNBC
CNN
Consumer Digest
Financial Times
Financial World
Forbes
Fortune
Ibbotson Associates, Inc.
Institutional Investor
Investment Company Data, Inc.
Investor's Business Daily
Kiplinger's Personal Finance
Lipper Analytical Services, Inc.'s Mutual Fund Performance
Analysis
Money
Morningstar
Mutual Fund Forecaster

No-Load Analyst
No-Load Fund X
Personal Investor
Smart Money
The New York Times
The No-Load Fund Investor
U.S. News and World Report
United Mutual Fund Selector
USA Today
Wall Street Journal
Wiesenberger Investment Companies Services
Working Woman
Worth

SERVICES PROVIDED BY THE FUND

Periodic Withdrawal Plan. As described in the section of each Portfolio's Prospectus entitled "How ^ To Sell Shares," the Fund offers a Periodic Withdrawal Plan. All dividends and distributions on shares owned by shareholders participating in this Plan are reinvested in additional shares. ^ Because withdrawal payments represent the proceeds from sales of shares, the amount of shareholders' investments in the Fund will be reduced to the extent that withdrawal payments exceed dividends and other distributions paid and reinvested. Any gain or loss on such redemptions must be reported for tax purposes. In each case, shares will be redeemed at the close of business on or about the 20th day of each month preceding payment and payments will be mailed within five business days thereafter.

The Periodic Withdrawal Plan involves the use of principal and is not a guaranteed annuity. Payments under such a Plan do not represent income or a return on investment.

A Periodic Withdrawal Plan may be terminated at any time by sending a written request to INVESCO. Upon termination, all future dividends and capital gain distributions will be reinvested in additional shares unless a shareholder requests otherwise.

Exchange Privilege. As discussed in the section of each Portfolio's Prospectus entitled "How ^ To Buy Shares -- Exchange Privilege," the Fund offers shareholders the privilege of exchanging shares of any Portfolio of the Fund for shares of any other Portfolio and of exchanging shares of the Fund for shares of certain other no-load mutual funds advised by INVESCO. Exchange requests may be made either by telephone or by written request to INVESCO Funds Group, Inc., using the telephone number or address on the cover of this Statement of Additional Information. Exchanges made by telephone must be in an amount of at least \$250^ if the exchange is being made into an existing account of one of the INVESCO funds. All exchanges that establish a new account must meet the fund's

meet the fund's applicable minimum initial investment requirements. Written exchange requests into an existing account have no minimum requirements other than the fund's applicable minimum subsequent investment requirements. Any gain or loss realized on such an exchange is recognized for federal income tax purposes. This privilege is not an option or right to purchase securities^ but is a revocable privilege permitted under the present policies of each of the funds and is not available in any state or other jurisdiction where the shares of the mutual fund into which transfer is to be made are not qualified for sale^ or when the net asset value of the shares presented for exchange is less than the minimum dollar purchase required by the appropriate prospectus.

TAX-DEFERRED RETIREMENT PLANS

As described in the section of each Portfolio's Prospectus entitled "Fund Services," shares of the Fund may be purchased as the investment medium for various tax-deferred retirement plans. Persons who request information regarding these plans from INVESCO will be provided with prototype documents and other supporting information regarding the type of plan requested. Each of these plans involves a long-term commitment of assets and is subject to possible regulatory penalties for excess contributions, premature distributions or for insufficient distributions after age 70-1/2. The legal and tax implications may vary according to the circumstances of the individual investor. Therefore, the investor is urged to consult with an attorney or tax adviser prior to the establishment of such a plan.

HOW TO REDEEM SHARES

Normally, payments for shares redeemed will be mailed within seven (7) days following receipt of the required documents as described in the section of each Portfolio's Prospectus entitled "How ^ To Sell Shares." The right of redemption may be suspended and payment postponed when: (a) the New York Stock Exchange is closed for other than customary weekends and holidays; (b) trading on that exchange is restricted; (c) an emergency exists as a result of which disposal by the Fund of securities owned by it is not reasonably practicable, or it is not reasonably practicable for the Fund fairly to determine the value of its net assets; or (d) the Securities and Exchange Commission (the "SEC") by order so permits.

It is possible that in the future conditions may exist which would, in the opinion of the Fund's investment adviser, make it undesirable for a Portfolio to pay for redeemed shares in cash. In such cases, the investment adviser may authorize payment to be made in portfolio securities or other property of the Fund. However, the Fund is obligated under the 1940 Act to redeem for cash all shares of a Portfolio presented for redemption by any one shareholder having a value up to \$250,000 (or 1% of the Portfolio's net assets if that is less) in

any 90-day period. Securities delivered in payment of redemptions are selected entirely by the investment adviser based on what is in the best interests of the Portfolio and its shareholders, and are valued at the value assigned to them in computing the Portfolio's net asset value per share. Shareholders receiving such securities are likely to incur brokerage costs on their subsequent sales of the securities.

DIVIDENDS, CAPITAL GAIN DISTRIBUTIONS AND TAXES

The Fund intends to continue to conduct its business and satisfy the applicable diversification of assets and source of income requirements to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended. The Fund so qualified in the fiscal year ended October 31, ^ 1996, and intends to continue to qualify during its current fiscal year. As a result, it is anticipated that the Fund will pay no federal income or excise taxes and will be accorded conduit or "pass through" treatment for federal income tax purposes.

Dividends paid by the Fund from net investment income as well as distributions of net realized short-term capital gains and net realized gains from certain foreign currency transactions are, for federal income tax purposes, taxable as ordinary income to shareholders. After the end of each calendar year, the Fund sends shareholders information regarding the amount and character of dividends paid in the year, information on foreign source income and foreign taxes, and the dividends eligible for the dividends-received deduction for corporations. Such amounts will be limited to the aggregate amount of qualifying dividends which the Fund derives from its portfolio investments.

Distributions by the Fund of net capital gains (the excess of net long-term capital gain over net short-term capital loss) are, for federal income tax purposes, taxable to the shareholder as long-term capital gains regardless of how long a shareholder has held shares of the Fund. Such distributions are identified as such and are not eligible for the dividends-received deduction.

All dividends and other distributions are regarded as taxable to the investor, whether or not such dividends and distributions are reinvested in additional shares. If the net asset value of Fund shares should be reduced below a shareholder's cost as a result of a distribution, such distribution would be taxable to the shareholder although a portion would be, in effect, a return of invested capital. The net asset value of each Portfolio's shares reflects accrued net investment income and undistributed realized capital and foreign currency gains; therefore, when a distribution is made, the net asset value is reduced by the amount of the distribution. If shares are purchased shortly before a distribution, the full price for the shares will be paid and some portion of the price may then be returned to the shareholder as a taxable

dividend or capital gain. However, the net asset value per share will be reduced by the amount of the distribution, which would reduce any gain (or increase any loss) for tax purposes on any subsequent redemption of shares.

INVESCO may provide Fund shareholders with information concerning the average cost basis of their shares in order to help them prepare their tax returns. This information is intended as a convenience to shareholders and will not be reported to the Internal Revenue Service (the "IRS"). The IRS permits the use of several methods to determine the cost basis of mutual fund shares. The cost basis information provided by INVESCO will be computed using the single-category average cost method, although neither INVESCO nor the Fund recommends any particular method of determining cost basis. Other methods may result in different tax consequences. If a shareholder has reported gains or losses for a Portfolio in past years, the shareholder must continue to use the method previously used, unless the shareholder applies to the IRS for permission to change methods.

If Fund shares are sold at a loss after being held for six months or less, the loss will be treated as long-term, instead of short-term, capital loss to the extent of any capital gain distributions received on those shares.

Each Portfolio will be subject to a nondeductible 4% excise tax to the extent it fails to distribute by the end of any calendar year substantially all of its ordinary income for that year and capital gain net income for the one-year period ending on October 31 of that year, plus certain other amounts.

Dividends and interest received by each Portfolio may be subject to income, withholding or other taxes imposed by foreign countries and U.S. possessions that would reduce the yield on its securities. Tax conventions between certain countries and the United States may reduce or eliminate these foreign taxes, however, and many foreign countries do not impose taxes on capital gains in respect of investments by foreign investors. If more than 50% of the value of a Portfolio's total assets at the close of any taxable year consists of securities of foreign corporations, the Fund will be eligible to, and may, file an election with the IRS that will enable its shareholders, in effect, to receive the benefit of the foreign tax credit with respect to any foreign and U.S. possessions income taxes paid by it. Each Portfolio will report to its shareholders shortly after each taxable year their respective shares of the Portfolio's income from sources within, and taxes paid to, foreign countries and U.S. possessions if it makes this election.

The Portfolios may invest in the stock of "passive foreign investment companies" ("PFICs"). A PFIC is a foreign corporation that, in general, meets either of the following tests: (1) at least 75% of its gross income is passive,

or (2) an average of at least 50% of its assets produce, or are held for the production of, passive income. Under certain circumstances, a Portfolio will be subject to federal income tax on a portion of any "excess distribution" received on the stock of a PFIC or of any gain on disposition of the stock (collectively "PFIC income"), plus interest thereon, even if the Portfolio distributes the PFIC income as a taxable dividend to its shareholders. The balance of the PFIC income will be included in the Portfolio's investment company taxable income and, accordingly, will not be taxable to it to the extent that income is distributed to its shareholders.

Gains or losses (1) from the disposition of foreign currencies, (2) from the disposition of debt securities denominated in foreign currency that are attributable to fluctuations in the value of the foreign currency between the date of acquisition of each security and the date of disposition, and (3) that are attributable to fluctuations in exchange rates that occur between the time a Portfolio accrues interest, dividends or other receivables or accrues expenses or other liabilities denominated in a foreign currency and the time the Portfolio actually collects the receivables or pays the liabilities, generally will be treated as ordinary income or loss. These gains or losses may increase or decrease the amount of the Portfolio's investment company taxable income to be distributed to its shareholders.

Shareholders should consult their own tax advisers regarding specific questions as to federal, state and local taxes. Dividends and capital gain distributions will generally be subject to applicable state and local taxes. Qualification as a regulated investment company under the Internal Revenue Code of 1986, as amended, for income tax purposes does not entail government supervision of management or investment policies.

INVESTMENT PRACTICES

Portfolio Turnover. There are no fixed limitations regarding portfolio turnover for any of the Fund's Portfolios. Brokerage costs to the Fund are commensurate with the rate of portfolio activity. Portfolio turnover rates for the fiscal years ended October 31, 1996, 1995 and 1994, were as follows:

Portfolio -----	1996 ----	1995 ----	1994 ----
Energy	392%	300%	123%
Environmental Services	142	195	211
Financial Services	141	171	88
Gold	155	72	97
Health Sciences	90	107	80
Leisure	56	119	116
Technology	168	191	145
Utilities	141	185	180

In computing the portfolio turnover rate, all investments with maturities or expiration dates at the time of acquisition of one year or less are excluded. Subject to this exclusion, the turnover rate is calculated by dividing (A) the lesser of purchases or sales of portfolio securities for the fiscal year by (B) the monthly average of the value of portfolio securities owned by the Portfolio during the fiscal year.

The portfolio turnover rate of the Energy Portfolio increased in fiscal 1995 over fiscal 1994 primarily as a result of a restructuring of the Portfolio that occurred during that year. The portfolio turnover rate of the Financial Services Portfolio increased in fiscal 1995 over fiscal 1994 primarily as a

result of a significant increase in the size of the Portfolio.

Placement of Portfolio Brokerage. Either INVESCO, as the Fund's investment adviser, or INVESCO Trust, as the Fund's sub- adviser, ^ places orders for the purchase and sale of securities with brokers and dealers based upon INVESCO's or INVESCO Trust's evaluation of their financial responsibility, subject to their ability to effect transactions at the best available prices. INVESCO or INVESCO Trust evaluates the overall reasonableness of brokerage commissions ^ paid by reviewing the quality of executions obtained on portfolio transactions of each applicable Portfolio, viewed in terms of the size of transactions, prevailing market conditions in the security purchased or sold, and general economic and market conditions. In seeking to ensure that the commissions ^ charged the Portfolios are consistent with prevailing and reasonable commissions ^, INVESCO or INVESCO Trust also endeavor to monitor brokerage industry practices with regard to the commissions ^ charged by brokers and dealers on transactions effected for other comparable institutional investors. While INVESCO or INVESCO Trust seek reasonably competitive rates, the Portfolios do not necessarily pay the lowest commission^ or spread available.

Consistent with the standard of seeking to obtain the best execution on portfolio transactions, INVESCO or INVESCO Trust may select brokers that provide research services to effect such transactions. Research services consist of statistical and analytical reports relating to issuers, industries, securities and economic factors and trends, which may be of assistance or value to INVESCO or INVESCO Trust in making informed investment decisions. Research services prepared and furnished by brokers through which the Portfolios effect securities transactions may be used by INVESCO or INVESCO Trust in servicing all of their respective accounts and not all such services may be used by INVESCO or INVESCO Trust in connection with the Fund's Portfolios.

In recognition of the value of the above-described brokerage and research services provided by certain brokers, INVESCO or INVESCO Trust, consistent with the standard of seeking to obtain the best execution on portfolio transactions,

may place orders with such brokers for the execution of transactions for the Fund's Portfolios on which the commissions ^ are in excess of those which other brokers might have charged for effecting the same transactions.

Portfolio transactions may be effected through qualified ^ broker-dealers who recommend the Portfolios to their clients^ or who act as agent in the purchase of any of the Portfolios' shares for their clients. When a number of brokers and dealers can provide comparable best price and execution on a particular transaction, the Fund's adviser may consider the sale of Portfolio shares by a broker or dealer in selecting among qualified ^ broker-dealers.

^ Certain financial institutions (including brokers who may sell shares of the Fund, or affiliates of such brokers) are paid a fee (the "Services Fee") for recordkeeping, shareholder communications and other services provided by ^ the financial institution or such affiliates to investors purchasing shares of the ^ Funds through no transaction fee programs ("NTF Programs") offered by the financial institution or its affiliated broker (an "NTF Program Sponsor"). The Services Fee is based on the average daily value of the investments in each ^ Fund made in the name of such NTF Program Sponsor and held in omnibus accounts ^ maintained on behalf of investors participating in the ^ NTF Program. The ^ Fund's directors have authorized ^ the Fund to pay ^ transfer agency fees to INVESCO based on the number of investors who have beneficial interests in the ^ NTF Program Sponsor's omnibus accounts in ^ the Fund. INVESCO, in turn, ^ pays these transfer agency fees to ^ the NTF Program Sponsor as a sub-transfer agency or recordkeeping fee in payment of all or a portion of the ^ Services Fee. In the event that the sub-transfer agency or recordkeeping fee is insufficient to pay all of the Services Fee with respect to these NTF Programs, INVESCO itself pays the portion of the Fund's Services Fee, if any, that exceeds the sum of the sub-transfer agency or recordkeeping fee. The Fund's directors have further authorized INVESCO to place a portion of ^ the Fund's brokerage transactions with ^ certain NTF Program Sponsors or their affiliated brokers, if INVESCO reasonably believes that, in effecting the ^ Fund's transactions in portfolio securities, ^ the broker is able to provide the best execution of orders at the most favorable prices. ^ A portion of the commissions earned by ^ such a broker from executing portfolio transactions on behalf of ^ the Fund may be credited by the NTF Program Sponsor against its Services Fee. Such credit shall be applied against any sub- transfer agency or recordkeeping fee payable with respect to ^

the Fund on a basis which has resulted from negotiations between INVESCO and ^ the NTF Program Sponsor. Thus, the Fund pays sub-transfer agency or recordkeeping fees to the NTF Program Sponsor in payment of the Services Fee only to the extent that such fees are not offset by the ^ Fund's credits. In the event that the transfer agency fee paid by ^ the Fund to INVESCO with respect to

investors who have beneficial interests in ^ a particular NTF Program Sponsor's omnibus accounts in ^ the Fund exceeds the ^ Services Fee applicable to ^ the Fund, after application of credits, INVESCO may carry forward the excess and apply it to future ^ Services Fees payable to that NTF Program Sponsor with respect to the Fund. The amount of excess transfer agency fees carried forward will be reviewed for possible adjustment by INVESCO prior to each fiscal year-end of the Fund.

The aggregate dollar amounts of brokerage commissions paid by the Fund for the fiscal years ended October 31, 1996, 1995^ and 1994^ were \$17,056,949, \$14,162,585^ and \$11,837,141, ^ respectively. On a Portfolio basis the aggregate amount of brokerage commissions paid in fiscal ^ 1996 breaks down as follows: Energy, ^ \$1,939,241; Environmental Services, ^ \$427,834 ; Financial Services, ^ \$2,169,216; Gold, ^ \$3,182,937; Health Sciences, ^ \$3,221,908; Leisure, ^ \$1,066,529; Technology, ^ \$4,119,351; and Utilities, ^ \$929,933. For the year ended October 31, ^ 1996, brokers providing research services received ^ \$5,016,507 in commissions on portfolio transactions effected for the Fund. The aggregate dollar amount of such portfolio transactions was ^ \$2,457,675,636. On a Portfolio basis this figure breaks down as follows: Energy, ^ \$368,028,205; Environmental Services, ^ \$18,839,491; Gold, ^ \$552,035,208; Health Sciences, ^ \$327,572,968; Financial Services, ^ \$637,585,285; Leisure, ^ \$65,735,194; Technology, ^ \$339,907,072; and Utilities ^ \$147,972,213. The Fund paid ^ \$2,163,192 in compensation to brokers for the sale of shares of the Fund during the fiscal year ended October 31, ^ 1996.

^ At October 31, 1996 the Fund's Portfolios held securities of their regular brokers or dealers, or their parents, as follows:

Portfolio	Broker or Dealer	Value of Securities at ^ 10/31/96
-----	-----	-----
ENERGY FUND	^ State Street Bank & Trust Company	^ \$25,280,000
ENVIRONMENTAL SERVICES FUND	None ^	
FINANCIAL SERVICES FUND	Associates Corporation of North America	^ \$21,630,000
	^ State Street Boston Corporation	\$6,337,500
^ GOLD FUND	Associates Corporation of ^ North America	^ \$10,275,000
	^ Merrill Lynch & Company, Inc.	\$2,098,768
HEALTH SCIENCES FUND	General Electric Company	\$39,951,000
	General Motors Acceptance Corporation	\$33,511,000
LEISURE FUND	Associates Corporation of ^ North America	^ \$12,620,000

^ TECHNOLOGY FUND	American Express Credit ^ Corporation	\$17,457,000
	Chevron Oil Finance Company	\$37,554,000
	Ford Motor Credit Company	\$24,230,000
	General Motors Acceptance Corporation	\$28,760,000
UTILITIES FUND	State Street Bank & Trust Company	\$14,260,000

Neither INVESCO nor INVESCO Trust receives any brokerage commissions on portfolio transactions effected on behalf of the Fund, and there is no affiliation between INVESCO, INVESCO Trust^ or any person affiliated with INVESCO, INVESCO Trust^ or the Fund and any broker or dealer that executes transactions for the Fund.

ADDITIONAL INFORMATION

Common Stock. The Fund has one billion authorized shares of common stock with a par value of \$0.01 per share. Of the Fund's authorized shares, 100,000,000 shares have been allocated to each of the Fund's eight Portfolios. As of October 31, ^ 1996, shares outstanding for each Portfolio were as follows:

Portfolio -----	Shares Outstanding -----
Energy	^ 15,716,738
Environmental Services	^ 2,643,091
Financial Services	^ 23,658,772
Gold	^ 34,730,165
Health Sciences	^ 16,904,277
Leisure	^ 11,021,164
Technology	^ 23,064,698
Utilities	^ 12,715,877

The board of directors has the authority to designate additional classes of Common Stock without seeking the approval of shareholders and may classify and reclassify any authorized but unissued shares.

Shares of each class represent the interests of the shareholders of such class in a particular portfolio of investments of the Fund. Each class of the Fund's shares is preferred over all other classes in respect of the assets specifically allocated to that class, and all income, earnings, profits and proceeds from such assets, subject only to the rights of creditors, are allocated to shares of that class. The assets of each class are segregated on the books of account and are charged with the liabilities of that class and with a share of the Fund's general liabilities. The board of directors determines those assets and liabilities deemed to be general assets or liabilities of the Fund, and these items are allocated among classes in proportion to the relative total assets of each class. In the unlikely event that a liability allocable to one class exceeds the assets belonging to the class, all or a portion of such liability may have to be borne by the holders of shares of the Fund's other classes.

All shares, regardless of class, have equal voting rights. Voting with respect to certain matters, such as ratification of independent accountants or election of directors, will be by all classes of the Fund. When not all classes are affected by a matter to be voted upon, such as approval of an investment advisory contract or changes in a Portfolio's investment policies, only shareholders of the class affected by the matter may be entitled to vote. Fund shares have noncumulative voting rights, which means that the holders of a majority of the shares voting for the election of directors can elect 100% of the directors if they choose to do so. In such event, the holders of the remaining shares voting for the election of directors will not be able to elect any person or persons to the board of directors. After they have been elected by shareholders, the directors will continue to serve until their successors are elected and have qualified or they are removed from office, in either case by a

shareholder vote, or until death, resignation, or retirement. Directors may appoint their own successors, provided that always at least a majority of the directors have been elected by the Fund's shareholders. It is the intention of the Fund not to hold annual meetings of shareholders. The directors will call annual or special meetings of shareholders for action by shareholder vote as may be required by the 1940 Act or the Fund's Articles of Incorporation, or at their discretion.

Principal Shareholders. As of December 1, 1995, the following entities held more than 5% of the Fund's and each Portfolio's outstanding equity securities.

Name and Address -----	Amount and Nature of Ownership -----	Class and Percent of Class -----
Energy Portfolio		
Charles Schwab & Co. Inc. ^ Special Custody Acct. For ^ The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	^ 6,619,899.9450	38.553%
^ National Financial Services Corp. The Exclusive Benefit of Customers One World Financial Center 200 Liberty St., 5th Floor New York, NY 10281	1,740,266.5080	10.135%
Gold Portfolio		
Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	13,461,820.0060	40.133%
Health Sciences Portfolio		
Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	4,283,586.0020	26.253%
Leisure Portfolio		
Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	2,985,269.9770	28.007%
Technology Portfolio		
Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	7,807,549.9890	32.708%

Financial Services Portfolio

Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	7,979,168.9060	27.988%
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Donaldson Lufkin & Jenrette Securities Corp. Mutual Funds, 5th Floor P.O. Box 2052 Jersey City, NJ 07303	1,682,810.6890	5.903%
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National Finance Services Corp. The Exclusive Benefit of Customers One World Financial Center 200 Liberty St., 5th Floor New York, NY 10281	1,453,770.9380	5.099%
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Utilities Portfolio

Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	4,825,028.9810	38.725%
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Environmental Services Portfolio

Charles Schwab & Co. Inc. Special Custody Acct. For The Exclusive Benefit of Customers 101 Montgomery St. San Francisco, CA 94104	663,630.1930	26.429%
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Independent Accountants. Price Waterhouse LLP, 950 Seventeenth Street, Denver, Colorado, has been selected as the independent accountants of the Fund. The independent accountants are responsible for auditing the financial statements of the Fund.

Custodian. State Street Bank and Trust Company, P.O. Box 351, Boston, Massachusetts, has been designated as custodian of the cash and investment securities of the Fund. The bank is also responsible for, among other things, receipt and delivery of the Fund's investment securities in accordance with procedures and conditions specified in the custody agreement. Under its contract with the Fund, the custodian is authorized to establish separate accounts in foreign currencies and to cause foreign securities owned by the Fund to be held outside the United States in branches of U.S. banks and, to the extent permitted by applicable regulations, in certain foreign banks and securities depositories.

Transfer Agent. INVESCO, 7800 E. Union Avenue, Denver, Colorado 80237, acts as registrar, dividend disbursing agent^ and transfer agent for the Fund pursuant to the Transfer Agency Agreement described in "The Fund and Its Management." Such services include the issuance, cancellation and transfer of shares of the Fund, and the maintenance of records regarding the ownership of such shares.

Reports to Shareholders. The Fund's fiscal year ends on October 31. The Fund distributes reports at least semiannually to its shareholders. Financial statements regarding the Fund, audited by the independent accountants, are sent to shareholders annually.

Legal Counsel. The firm of Kirkpatrick & Lockhart, Washington, D.C. is legal counsel for the Fund. The firm of Moye, Giles, O'Keefe, Vermeire & Gorrell, Denver, Colorado, acts as special counsel for the Fund.

Financial Statements. The Fund's audited financial statements and the notes thereto for the fiscal year ended October 31, ^ 1996, and the report of Price Waterhouse LLP with respect to such financial statements, are incorporated herein by reference from the Fund's Annual Report to Shareholders for the fiscal year ended October 31, ^ 1996.

^ Prospectus. The Fund will furnish, without charge, a copy of the ^ Prospectus upon request. ^ Such requests should be made to the Fund at the mailing address or telephone number set forth on the first page of this Statement of Additional Information.

Registration Statement. This Statement of Additional Information and the Prospectuses do not contain all of the information set forth in the Registration Statement the Fund has filed with the Securities and Exchange Commission. The complete Registration Statement may be obtained from the Securities and Exchange Commission upon payment of the fee prescribed by the rules and regulations of the Commission.

PART C. OTHER INFORMATION

Item 24. Financial Statements and Exhibits

(a) Financial Statements:

Page in
Prospectus

(1) Financial statements and schedules included in ^ Prospectus (Part A):

Financial Highlights for each of the ten years in the period ended October 31, ^ 1996. 12-27

Financial Highlights with respect to the Environmental Services Portfolio for each of the ^ five years in the period ended October 31, ^ 1996 and the period from commencement of that Portfolio's operations (January 2, 1991) until October 31, 1991. 14

Page in
Statement
of Addi-
tional In-
formation

(2) The following audited financial statements of the Fund and the notes thereto for the fiscal year ended October 31, ^ 1996 and the report of Price Waterhouse LLP with respect to such financial statements are incorporated in the Statement of Additional Information by reference from the Fund's Annual Report to Shareholders for the fiscal year ended October 31, ^ 1996: Statement of Investment Securities as of October 31, ^ 1996; Statement of Assets and Liabilities as of October 31, ^ 1996; Statement of Operations for the year ended October 31, ^ 1996; Statement of Changes in Net Assets for each of the two years in the period ended October 31, ^ 1996; Financial Highlights for each of the five years in the period ended October 31, ^ 1996.

- (3) Financial statements and schedules included in Part C:

None: Schedules have been omitted as all information has been presented in the financial statements.

- (b) Exhibits:

- (1) Articles of [^] Restatement of the Articles of Incorporation filed November 24, 1989.

(a) Articles Supplementary to the Fund's Articles of Incorporation [^] filed December 26, 1990.

(b) Articles of Amendment of the Articles of Incorporation [^] filed December 2, 1994.

- [^](2) Bylaws as of July 21, 1993.

- (3) Not applicable.

- (4) [^] Not required to be filed on EDGAR.

- (5) (a) Form of Investment Advisory Agreement dated February 28, 1997.

(b) Form of Sub-Advisory Agreement between the Fund and INVESCO Trust Company dated February 28, 1997.

- (6) Form of General Distribution Agreement dated _____, 1997.

- (7) Defined Benefit Deferred Compensation Plan for Non-Interested Directors and Trustees.

- (8) Custody Agreement between Registrant and State Street Bank and Trust Company, previously filed with [^] Pre-Effective Amendment No. [^] 2 to the Registration Statement dated January 24, 1984 and herein incorporated by reference.

[^](a) Amended Custody Agreement dated July 1, 1993, previously filed with Post-Effective Amendment No. 16 dated June 24, 1993, and herein incorporated by reference.

[^](b) Amendment to Custody Agreement dated October 25, 1995.

- (9) (a) Form of Transfer Agency Agreement [^] dated _____, 1997.

(b) Form of Administrative Services Agreement between the Fund and INVESCO

Funds Group, Inc.^ dated _____, 1997.

- (10) Opinion and consent of counsel as to the legality of the securities being registered, indicating whether they will, when sold, be legally issued, fully paid and non-assessable was filed with the Securities and Exchange Commission approximately ^ December 18, 1996, pursuant to Rule 24f-2.
- (11) Consent of Independent Accountants.
- (12) Not applicable.
- (13) Not applicable.
- (14) Copies of model plans used in the establishment of retirement plans as follows: Non-standardized Profit Sharing Plan; Non-standardized Money Purchase Pension Plan; Standardized Profit Sharing Plan Adoption Agreement; Standardized Money Purchase Pension Plan; Non-standardized 401(k) Plan Adoption Agreement; Standardized 401(k) Paired Profit Sharing Plan; Standardized Simplified Profit Sharing Plan; Standardized Simplified Money Purchase Plan; Defined Contribution Master Plan & Trust Agreement; and Financial 403(b) Retirement Plan, all filed with Registration Statement of INVESCO International Funds, Inc. filed May 27, 1993, and herein incorporated by reference.
- (15) Not applicable.
- (16) Schedule for computation of performance data--previously filed with Post-Effective Amendment No. 8 dated December 20, 1988, and herein incorporated by reference.
- (17)
 - (a) Financial Data Schedule for the year ended October 31, ^ 1996 for the Energy Portfolio.
 - (b) Financial Data Schedule for the year ended October 31, ^ 1996 for the Environmental Services Portfolio.
 - (c) Financial Data Schedule for the year ended October 31, ^ 1996 for the Financial Services Portfolio.
 - (d) Financial Data Schedule for the year ended October 31, ^ 1996 for the Gold Portfolio.
 - (e) Financial Data Schedule for the year ended October 31, ^ 1996 for the Health Sciences Portfolio.
 - (f) Financial Data Schedule for the year ended October 31, ^ 1996 for the Leisure Portfolio.
 - (g) Financial Data Schedule for the year ended October 31, ^ 1996 for the Technology Portfolio.

(h) Financial Data Schedule for the year ended October 31, ^ 1996 for the Utilities Portfolio.

(18) Not applicable.

Item 25. Persons Controlled by or Under Common Control with Registrant

No person is presently controlled by or under common control with Registrant.

Item 26. Number of Holders of Securities

Title of Class -----	Number of Record Holders as of ^ November 30, 1996 -----
Common Stock	
Energy Portfolio	^ 11,806
Environmental Services Portfolio	^ 5,277
Financial Services Portfolio	^ 42,550
Gold Portfolio	^ 18,690
Health Sciences Portfolio	^ 88,504
Leisure Portfolio	^ 32,560
Technology Portfolio	^ 65,133
Utilities Portfolio	^ 12,385

Item 27. Indemnification

Indemnification provisions for officers, directors and employees of Registrant are set forth in Article X of the Amended Bylaws and Article Seventh (3) of the Articles of Restatement of the Articles of Incorporation, and are hereby incorporated by reference. See Item 24(b) (1) and (2) above. Under these Articles, directors and officers will be indemnified to the fullest extent permitted to directors by the Maryland General Corporation Law, subject only to such limitations as may be required by the Investment Company Act of 1940, as amended, and the rules thereunder. Under the Investment Company Act of 1940, Fund directors and officers cannot be protected against liability to the Fund or its shareholders to which they would be subject because of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties of their office. The Fund also maintains liability insurance policies covering its directors and officers.

Item 28. Business and Other Connections of Investment Adviser

See "The Fund and Its Management" in the Fund's Portfolios' ^ Prospectus and Statement of Additional Information for information regarding the business of the investment adviser. For information as to the business, profession, vocation or employment of a substantial nature of each of the officers and directors of INVESCO Funds Group, Inc., reference is made to the Schedule Ds to the Form ADV filed under the Investment Advisers Act of 1940 by INVESCO Funds Group, Inc., which schedules are herein incorporated by reference.

Item 29. Principal Underwriters

INVESCO Diversified Funds, Inc.
INVESCO Dynamics Fund, Inc.
INVESCO Emerging Opportunity Funds, Inc.

INVESCO Growth Fund, Inc.
 INVESCO Income Funds, Inc.
 INVESCO Industrial Income Fund, Inc.
 INVESCO International Funds, Inc.
 INVESCO Money Market Funds, Inc.
 INVESCO Multiple Asset Funds, Inc.
 INVESCO Specialty Funds, Inc.
 INVESCO Tax-Free Income Funds, Inc.
 INVESCO Value Trust
 INVESCO Variable Investment Funds, Inc.

(b)

Name and Principal Business Address -----	Positions and Offices with Underwriter -----	Positions and Offices with Registrant -----
^		
Frank M. Bishop 1315 Peachtree Street NE Atlanta, GA 30309	Director ^	
Charles W. Brady 1315 Peachtree Street NE Atlanta, GA 30309		Chairman of the Board
^		
M. Anthony Cox 1315 Peachtree Street N.E. Atlanta, GA 30309	Senior Vice President	
Steven T. Cox, Jr. 7800 E. Union Avenue Denver, CO 80237	Regional Vice President	
Robert D. Cromwell 7800 E. Union Avenue ^ Denver, CO 80237	^ Regional Vice President	
Samuel T. DeKinder 1315 Peachtree Street NE Atlanta, GA 30309	Director	
^ Douglas P. Dohm ^ 1355 Peachtree Street NE ^ Atlanta, GA 30309	Regional Vice President	
William J. Galvin, Jr. 7800 E. Union Avenue Denver, CO 80237	Senior Vice President	Assistant Secretary

Name and Principal Business Address -----	Positions and Offices with Underwriter -----	Positions and Offices with Registrant -----
Linda J. Gieger 7800 E. Union Avenue Denver, CO 80237	Vice President	

Ronald L. Grooms
7800 E. Union Avenue
Denver, CO 80237

Senior Vice
President
& Treasurer

Treasurer,
Chief Fin'l
Officer, and
Chief Acctg.
Officer

Wylie G. Hairgrove
7800 E. Union Avenue
Denver, CO 80237

Vice President

^ Hubert L. Harris ^, Jr.
1315 Peachtree Street, N.E. ^
Atlanta, GA 30309

Director

Director

Dan J. Hesser
7800 E. Union Avenue
Denver, CO 80237

Chairman of the Board,
President, CEO
& Director

Pres. &
Dir.

Mark A. Jones
7800 E. Union Avenue
Denver, CO 80237

Regional Vice
President

Jeraldine E. Kraus
7800 E. Union Avenue
Denver, CO 80237

Assistant Secretary

Michael D. Legoski
7800 E. Union Avenue
Denver, CO 80237

Assistant Vice
President

James F. Lummanick
7800 E. Union Avenue
Denver, CO 80237

Vice President; Asst.
General Counsel

Name and Principal
Business Address

Positions and
Offices with
Underwriter

Positions and
Offices with
Registrant

^

Brian N. Minturn
7800 E. Union Avenue
Denver, CO 80237

Executive
Vice President

Robert J. O'Connor
1315 Peachtree Street, N.E.
Atlanta, GA 30309

Director

Donald R. Paddack
7800 E. Union Avenue
Denver, CO 80237

Asst. Vice
President

Laura Parsons
7800 E. Union Avenue
Denver, CO 80237

Vice President

Glen A. Payne
7800 E. Union Avenue
Denver, CO 80237

Senior Vice
President, Secretary
General Counsel

Secretary

Pamela J. Piro
7800 E. Union Avenue
Denver, CO 80237

Asst. Vice
President

Gary J. Ruhl
7800 E. Union Avenue
Denver, CO 80237

Vice President

R. Dalton Sim
7800 E. Union Avenue
Denver, CO 80237

Director ^

James S. Skesavage
1315 Peachtree Street N.E.
Atlanta, GA 30309

Regional Vice
President

Terri Berg Smith
7800 E. Union Avenue
Denver, CO 80237

Vice President

Name and Principal Business Address -----	Positions and Offices with Underwriter -----	Positions and Offices with Registrant -----
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Tane T. Tyler 7800 E. Union Avenue Denver, CO 80237	Asst. Vice President	
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Alan I. Watson 7800 E. Union Avenue Denver, CO 80237	Vice President	Asst. Sec.
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Judy P. Wiese 7800 E. Union Avenue Denver, CO 80237	Vice President	Asst. Treas.
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Allyson B. Zoellner 7800 E. Union Avenue Denver, CO 80237	Vice President	
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(c) Not applicable.

Item 30. Location of Accounts and Records

Dan J. Hesser
7800 E. Union Avenue
Denver, CO 80237

Item 31. Management Services

Not applicable.

Item 32. Undertakings

(a) The Registrant shall furnish each person to whom a prospectus is delivered with a copy of the Registrant's latest annual report to shareholders, upon request and without charge.

(b) The registrant hereby undertakes that the board of directors will call such meetings of shareholders for action by shareholder vote, including acting on the question of removal of a director or directors, as may be requested in writing by the holders of at least 10% of the outstanding shares of the Fund or as may be required by applicable law or the Fund's Articles of Incorporation, and to assist the shareholders in communicating with other shareholders as required by the Investment Company Act of 1940.

Pursuant to the requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the registrant has duly caused this post-effective amendment to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Denver, County of Denver, and State of Colorado, on the ^ 30th day of December, ^ 1996.

Attest: INVESCO Strategic Portfolios, Inc.

/s/ Glen A. Payne /s/ Dan J. Hesser

Glen A. Payne, Secretary Dan J. Hesser, President

Pursuant to the requirements of the Securities Act of 1933, this pre-effective amendment to Registrant's Registration Statement has been signed by the following persons in the capacities indicated on this ^ 30th day of December, ^ 1996.

/s/ Dan J. Hesser /s/ Lawrence H. Budner

Dan J. Hesser, President & Lawrence H. Budner, Director
Director (Chief Executive Officer)

/s/ Ronald L. Grooms /s/ Daniel D. Chabris

Ronald L. Grooms, Treasurer Daniel D. Chabris, Director
(Chief Financial and Accounting Officer)

/s/ Victor L. Andrews /s/ Fred A. Deering

Victor L. Andrews, Director Fred A. Deering, Director

/s/ Bob R. Baker /s/ A. D. Frazier, Jr.

Bob R. Baker, Director A. D. Frazier, Jr., Director

/s/ ^ Hubert L. Harris, Jr. /s/ Kenneth T. King, Director

^ Hubert L. Harris, Jr., Director Kenneth T. King, Director

/s/ Charles W. Brady /s/ John W. McIntyre

Charles W. Brady, Director John W. McIntyre, Director

^

By* /s/ Glen A. Payne

Edward F. O'Keefe Glen A. Payne
Attorney in Fact Attorney in Fact

* Original Powers of Attorney authorizing Edward F. O'Keefe and Glen A. Payne, and each of them, to execute this post-effective amendment to the Registration Statement of the Registrant on behalf of the above-named directors and officers of the Registrant have been filed with the Securities and Exchange Commission on July 20, 1989, January 9, 1990, May 22, 1992, September 1, 1993, December 1, 1993 and December 21, 1995.

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ARTICLES OF RESTATEMENT
OF THE
ARTICLES OF INCORPORATION
OF
FINANCIAL STRATEGIC PORTFOLIOS, INC.

Financial Strategic Portfolios, Inc., a Maryland corporation having its principal office in Baltimore, Maryland, hereby certifies to the State Department of Assessments and Taxation of Maryland, that:

FIRST: Financial Strategic Portfolios, Inc. desires to restate its Articles of Incorporation as currently in effect. The provisions set forth in these Articles of Restatement are all the provisions of the Articles of Incorporation of the Corporation currently in effect and restate the Articles of Incorporation of the Corporation. The Restatement of the Articles of Incorporation of the Corporation as set forth herein has been approved by a majority of the entire board of directors of the Corporation. The Articles of Incorporation of the Corporation are not amended by these Articles of Restatement. The Articles of Incorporation of the Corporation are hereby restated in the following manner:

FIRST: The name of the Corporation (which is hereinafter called the "Corporation") is Financial Strategic Portfolios, Inc.

SECOND: The period of the Corporation's existence is perpetual.

THIRD: The purpose for which the Corporation is formed is to conduct and to carry on the business of an investment company of the open-end management type as defined in the Investment Company Act of 1940, as amended, and to do all acts and things necessary or incidental to the conduct of such business.

FOURTH: The post office address of the principal office of the Corporation in the State of Maryland is c/o The Corporation Trust Incorporated, 32 South Street, Baltimore, Maryland 21202. The name of the resident agent of the Corporation in the State of Maryland is The Corporation Trust Incorporated, a corporation organized under the laws of the State of Maryland, whose post office address is 32 South Street, Baltimore, Maryland 21202.

FIFTH: (1) The aggregate number of shares of stock which the Corporation shall have authority to issue is 1 billion (1,000,000,000) shares of Common Stock, which is hereby divided into six (6) classes consisting of 100 million (100,000,000) shares of Class A Common Stock, 100 million (100,000,000) shares of Class B Common Stock, 100 million (100,000,000) shares of Class C Common Stock, 100 million (100,000,000) shares of Class D Common Stock, 100 million (100,000,000) shares of Class E Common Stock, and 100 million (100,000,000) shares of Class F Common Stock, subject to further classification and reclassification as described below. Shares of Common Stock, regardless of

class, shall have a par value of 1 cent (\$.01) per share, the aggregate par value of the Corporation's 1 billion authorized shares of Common Stock being 10 million dollars (\$10,000,000).

(2) Each class of Common Stock now or hereafter established shall individually represent the interests of the holders of the shares of such class in a particular portfolio of assets of the Corporation and shall be so designated as to distinguish the shares thereof from the shares of all other classes.

(3) The Board of Directors of the Corporation, subject to any applicable provisions of the Investment Company Act of 1940 and the rules thereunder, is authorized to classify, and to reclassify, from time to time any unissued shares of Common Stock of the Corporation, whether now or hereafter authorized, by setting, or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption of the stock and, pursuant to such classification or reclassification, to increase or decrease the number of shares of any class, but the number of shares, of any class shall not be reduced by the Board of Directors below the number of shares of such class then issued and outstanding.

(4) The Corporation may purchase or otherwise acquire, hold, dispose of, resell, transfer, re-issue, purchase, redeem, retire, or cancel (all without the vote or consent of the stockholders of the Corporation) shares of its Common Stock in any manner and to the extent now or hereafter permitted by the General Laws of the State of Maryland and the Articles of Incorporation and the By-laws of the Corporation.

The Corporation may issue, sell, redeem, repurchase and otherwise deal in and with shares of its Common Stock in fractional denominations and such fractional denominations shall, for all purposes, be shares of Common Stock having proportionately to the respective fractions represented thereby all the rights of whole shares, including, without limitation, the right to vote, the right to receive dividends and distributions, and the right to participate upon liquidation of the Corporation; provided that the issue of shares in fractional denominations shall be limited to such transactions and be made upon such terms as may be fixed by or under authority of the By-laws.

(5) The registered owner of each share of Common Stock of the Corporation shall be entitled to one vote for each full share, and a fractional vote for each fractional share of Common Stock, irrespective of the class, then standing in his name in the books of the Corporation. On any matter submitted to a vote of shareholders, all shares of Common Stock of the Corporation then issued and outstanding and entitled to vote, irrespective of class, shall be

voted in the aggregate and not by class, except: (i) when otherwise required by the General Maryland Corporation Law; (ii) when otherwise required by the Investment Company Act of 1940 or the rules adopted thereunder, in which case shares shall be voted by individual class; and (iii) when the matter does not affect the interest of a particular class, in which case only shareholders of that class affected shall be entitled to vote thereon and shall vote by individual class.

(6) All consideration received by the Corporation for the issue or sale of any class of Common Stock whether now or hereafter established, together with all assets, income, earnings, profits, and proceeds derived therefrom (including all proceeds derived from the sale, exchange or liquidation thereof, and any funds or payments derived from any reinvestment of such proceeds in whatever form the same may be) shall irrevocably belong to the shares of that class with respect to which such assets, payments or funds were received by the Corporation, for all purposes, subject only to the rights of creditors, and shall be so treated upon the books of account of the Corporation. Such assets, income, earnings, profit and proceeds (including any proceeds derived from the sale, exchange or liquidation thereof and, if applicable, any assets derived from any reinvestment of such proceeds in whatever form the same may be) are referred to herein as "assets belonging to" a class.

(7) Assets of the Corporation not belonging to any particular class of Common Stock are referred to herein as "General Assets." General Assets shall be allocated to each class in proportion to the respective assets belonging to each class immediately prior to the making of such allocation. The determination of the Board of Directors shall be conclusive as to the amount of assets, as to the characterization of assets as those belonging to a class or as General Assets and as to the allocation of General Assets.

(8) The assets belonging to a class of Common Stock shall be charged with the liabilities incurred specifically on behalf of such class ("Special Liabilities"). Such assets shall also be charged with a share of the general liabilities of the Corporation ("General Liabilities") in proportion to the respective assets belonging to each class immediately prior to the making of such allocation. The determination of the Board of Directors shall be conclusive as to the amount of liabilities, including accrued expenses and reserves, as to the characterization of any liabilities as a Special Liability or General Liability, and as to the allocation of General Liabilities.

(9) In the event of the liquidation or dissolution of the Corporation, holders of a class of Common Stock, irrespective of class, shall have priority over holders of other classes of Common Stock with respect to the assets belonging to such class and the General Assets allocated to such class and the assets so distributable to the holders of such class shall be distributed among

such holders of such class, with respect to classes hereby established, in proportion to the number of shares of such class held by them and recorded on the books of the Corporation and, with respect to classes hereafter established as permitted in paragraph (3) above, in the manner determined by the Board of Directors.

(10) Shares of the Common Stock of the Corporation now or hereafter authorized shall be subject to redemption and redeemable in the sense contemplated by the laws of Maryland, at current net asset value per share as defined in the Bylaws, subject to such terms and conditions as may be specified therein or otherwise lawfully promulgated by the Corporation. The current net asset value of shares of each class of Common Stock shall be separately determined in accordance with procedures set forth in the Bylaws of the Corporation and in a manner consistent with law, which procedures shall recognize the rights of each class of Common Stock in assets belonging to such class and in General Assets and shall recognize the Special Liabilities of each

class and its share of General Liabilities. The Corporation reserves the right, in the future, upon appropriate notice to shareholders and to the extent permissible under Maryland law, to impose a reasonable fee upon redemptions of shares, any such fee to be set at a level determined appropriate by the Board of Directors. The Corporation may in its discretion redeem, at such current net asset value, outstanding shares of its Common Stock, regardless of class, not offered for redemption which are held by any stockholder whose shares in the aggregate have a then total current net asset value of less than such amount as set forth in the Bylaws, provided that prior to any such proposed redemption the Corporation shall have given such stockholder written notice that such then current net asset value is less than the amount set forth in the Bylaws as aforesaid and allowed such stockholder to make additional investments in order to increase such then current net asset value to the amount so set forth. The Corporation may also in its discretion redeem the shares of its Common Stock held by a stockholder or stockholders to the extent deemed necessary by the Board of Directors to avoid taxation of the Corporation as a "personal holding company."

SIXTH: The number of directors of the Corporation shall be fixed from time to time by the By-Laws but shall not be less than three. The By-Laws of the Corporation shall specify the number of directors which shall be necessary to and shall constitute a quorum; provided, however, that in no case shall a quorum be less than one-third (1/3) of the total number of directors or less than two (2) directors. The names of the current directors, who shall act until their successors are duly chosen and qualified, are:

Victor L. Andrews
Bob R. Baker

William H. Baughn
Joseph S. Bowman
Charles W. Brady
Lawrence H. Budner
John M. Butler
Otto B. Butterly
Daniel D. Chabris
Ernest B. Davis
Fred A. Deering
Dan J. Hesser
Willard A. Johnson
Kenneth T. King
Lord Stevens of Ludgate

No person shall serve as a director, unless elected by the stockholders at an annual meeting or a special meeting called for such purpose, except that vacancies occurring between such meetings may be filled by the directors in accordance with the By-Laws, if immediately after filling any such vacancy at least two-thirds (2/3) of the directors then holding office shall have been elected by the stockholders at an annual meeting or special meeting. Unless otherwise provided by the By-Laws of the Corporation, directors need not be stockholders thereof.

SEVENTH: The following provisions are hereby adopted for the purpose of defining, limiting and regulating the powers of the Corporation and of the directors and stockholders:

(1) The Board of Directors of the Corporation is hereby empowered to authorize the issuance from time to time of shares of the Corporation's Common Stock, whether now or hereafter authorized, or securities convertible into shares of its Common Stock, whether now or hereafter authorized, for such consideration as the Board of Directors may deem advisable subject to such limitations as may be set forth in these Articles of Incorporation or in the By-Laws of the Corporation or in the General Laws of the State of Maryland.

(2) The Board of Directors may, to the extent permitted by the General Laws of the State of Marylandt and in the manner provided herein, declare and pay dividends or distributions in stock or cash on any or all classes of Common Stock, the amount of such dividends and the payment thereof being wholly in the discretion of the Board of Directors; it being further provided that:

(i) Dividends or distributions on shares of any class of Common Stock shall be paid only out of the earnings, surplus, or other lawfully available assets belonging to such class (including, for this purpose, any General Assets allocated to such class).

(ii) So long as the Corporation intends to qualify as a "regulated investment company" under the Internal Revenue Code of 1954, as amended, or any successor or comparable statute thereto, and the regulations promulgated thereunder, and inasmuch as the computation of net income and gains for federal income tax purposes may vary from the computation thereof on the books of the Corporation, the Board of Directors shall have the power in its discretion to distribute in any fiscal year as dividends, including dividends designated in whole or in part as capital gains distributions, amounts sufficient, in the opinion of the Board of Directors, to enable the Corporation to qualify as a regulated investment company and to avoid liability for the Corporation for federal income tax in respect of that year. In furtherance and not in limitation of the foregoing, in the event that a class of Common Stock has a net capital loss for a fiscal year, and to the extent that the net capital loss offsets net capital gains from one or more of the other classes, the amount to be deemed available for distribution to each affected class shall be determined by the Board of Directors in order to effect an equitable adjustment among the classes.

(3) Each director and each officer of the Corporation shall be indemnified by the Corporation to the full extent permitted by the General Laws of the State of Maryland and the By-Laws of the Corporation.

(4) The Board of Directors of the Corporation may make, alter or repeal from time to time any of the By-Laws of the Corporation except any particular By-Laws which are specified as not subject to alteration or repeal by the Board of Directors.

EIGHTH: Cumulative voting in the election of directors shall not be allowed.

NINTH: Notwithstanding any provision of the General Laws of the State of Maryland requiring a greater proportion than a majority of the votes of all classes of Common Stock or of any class of Common Stock entitled to be cast to take or authorize any action, the Corporation may take or authorize such action upon the concurrence of a majority of the aggregate number of the votes entitled to be cast thereon, all as permitted by Section 2-104(b) of the General Corporation Law of the State of Maryland or any comparable successor provision.

TENTH: No stockholders of the Corporation of any class, whether now or hereafter authorized, shall have any preemptive or preferential or other right of purchase of or subscription to any shares of any class of Common Stock, or securities convertible into, exchangeable for or evidencing the right to purchase stock of any class whatsoever, whether or not the stock in question be of the same class as may be held by such stockholder, and whether now or hereafter authorized and whether issued for cash, property, services or otherwise, other than such, if any, as the Board of Directors in its discretion

may from time to time determine, and then only at such prices and on such terms and on conditions as the Board of Directors may from time to time fix.

ELEVENTH: The Corporation reserves the right from time to time to make any amendment to its Articles of Incorporation, now or hereafter authorized by law, including any amendment which alters the contract rights, as expressly set forth in its Articles of Incorporation, of any outstanding stock.

TWELFTH: The name and address of the incorporator is Lisa R. Schoenfeld, c/o Gordon Hurwitz Butowsky Baker Weitzen & Shalov, 101 Park Avenue, New York, New York 10178.

SECOND: At a meeting of the board of directors of Financial Strategic Portfolios, Inc., duly called and held at the offices of INVESCO Capital Management, Inc. at 1315 Peachtree Street, N.E., Suite 300, Atlanta, Georgia on October 10, 1989 at 2:00 p.m., a majority of the entire board of said corporation voting in favor, there was adopted a resolution authorizing a restatement of the articles of incorporation of said corporation in accordance with Maryland General Corporation Law, and it was further resolved that said restatement of the articles of incorporation be filed for record with the State Department of Assessments and Taxation of Maryland.

IN WITNESS WHEREOF, Financial Strategic Portfolios, Inc., a Maryland corporation, through its President and attested to by its Secretary, duly executes the above and foregoing Articles of Restatement of the Articles of Incorporation this 3rd day of November, 1989.

FINANCIAL STRATEGIC PORTFOLIOS, INC.

/s/ John M. Butler

John M. Butler, President

ATTEST:

/s/ Glen A. Payne

Glen A. Payne, Secretary

I, John M. Butler, being the duly elected, qualified and acting President of Financial Strategic Portfolios, Inc., and being first duly sworn upon my oath, depose and say that a meeting of the Board of Directors of Financial Strategic Portfolios, Inc., was held at Ritz-Carlton Buckhead, Atlanta, Georgia on October 10, 1989 at 2 p.m., and that at said meeting of the Board of Directors by an affirmative vote of the majority of said Board, the said Board

of Directors, by proper resolution, duly authorized the above and foregoing Articles of Restatement of the Articles of Incorporation, and that the matters and facts as set forth in said Articles of Restatement of the Articles of Incorporation are true and were duly authorized by said Board of Directors.

/s/ John M. Butler

John M. Butler

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

Subscribed, sworn to and acknowledged before me this 3rd, day of November, 1989 by John M. Butler as the duly elected, qualified and acting President of Financial Strategic Portfolios, Inc.

(Notarial Seal)

/s/ Cheryl K. Howlett

Notary Public

My commission expires: February 18, 1991

ARTICLES SUPPLEMENTARY TO
ARTICLES OF INCORPORATION OF
FINANCIAL STRATEGIC PORTFOLIOS, INC.

Financial Strategic Portfolios, Inc., a Maryland corporation (the "Corporation"), having its principal office in Baltimore, Maryland, hereby certifies to the State Department of Assessments and Taxation of Maryland, that:

FIRST: The aggregate number of shares of stock of all classes which the Corporation shall have authority to issue, both before and after creation of a new Class J Common Stock, is 1 billion (1,000,000,000) shares of Common Stock. Prior to creation of a new Class J Common Stock, the Corporation's Common Stock was divided into nine (9) classes consisting of 100 million (100,000,000) shares of Class A Common Stock, 100 million (100,000,000) shares of Class B Common Stock, 100 million (100,000,000) shares of Class C Common Stock, 100 million (100,000,000) shares of Class D Common Stock, 100 million (100,000,000) shares of Class E Common Stock, 100 million (100,000,000) shares of Class F Common Stock, 100 million (100,000,000) shares of Class G Common Stock, 100 million (100,000,000) shares of Class H Common Stock, and 100 million (100,000,000) shares of Class I Common Stock. The Corporation is now creating a new Class J Common Stock, consisting of 100 million (100,000,000) shares. Both before and after creation of the new Class J Common Stock, shares of Common Stock, regardless of class, have a par value of 1 cent (\$.01) per share, with the aggregate par value of the Corporation's 1 billion authorized shares of Common Stock being 10 million dollars (\$10,000,000).

SECOND: The Corporation is registered as an open-end company under the Investment Company Act of 1940.

THIRD: The total number of shares of capital stock that the Corporation has authority to issue has not been increased or decreased by the board of directors, but it has authorized in accordance with Section 2-105(c) of the Maryland General Corporation Law the issuance of 100 million (100,000,000) shares of the new Class J Common Stock.

IN WITNESS WHEREOF, the undersigned have executed these Articles Supplementary this 19th day of December, 1990.

FINANCIAL STRATEGIC PORTFOLIOS, INC.

By: /s/ John M. Butler

John M. Butler, President

ATTEST:

/s/ Glen A. Payne

Glen A. Payne, Secretary

I, John M. Butler, being the duly elected, qualified and acting President of Financial Strategic Portfolios, Inc., and being duly sworn upon my oath, depose and say that the Board of Directors, by proper resolution, duly authorized the above and foregoing Articles Supplementary of the Articles of Incorporation, and the matters and facts as set forth in said Articles Supplementary of the Articles of Incorporation are true and were duly authorized by said Board of Directors.

/s/ John M. Butler

John M. Butler

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing Articles of Amendment were acknowledged before me this 19th day of December, 1990, by John M. Butler as President and Glen A. Payne as Secretary of Financial Strategic Portfolios, Inc., a Maryland corporation, on behalf of the corporation.

Witness my hand and official seal.

/s/ Cheryl K. Howlett

Notary Public

My Commission Expires:

February 18, 1991

ARTICLES OF AMENDMENT
OF
ARTICLES OF RESTATEMENT
OF THE
ARTICLES OF INCORPORATION
OF
FINANCIAL STRATEGIC PORTFOLIOS, INC.

Financial Strategic Portfolios, Inc., a corporation organized and existing under the General Corporation Law of the State of Maryland (the "Company"), hereby certifies that:

FIRST: Articles First of the Articles of Restatement of the Articles of Incorporation of the Company is hereby amended to read as follows:

NAME AND TERM The name of the corporation is

 "INVESCO STRATEGIC PORTFOLIOS, INC.

and it shall have perpetual existence.

SECOND: The foregoing amendment, in accordance with the requirements of Section 2-408 of the General Corporation Law of the State of Maryland, was approved by the Board of Directors of the Company on October 19, 1994.

THIRD: The foregoing amendment was duly adopted in accordance with the provisions of Section 2-605 of the General Corporation Law of the State of Maryland.

The undersigned, President of the Company, who is executing on behalf of the Company the foregoing Articles of Amendment, of which this paragraph is made a part, hereby acknowledges, in the name and on behalf of the Company, the foregoing Articles of Amendemnt to be the corporate act of the Company and further verifies under oath that, to the best of his knowledge, information and belief, the matters and facts set forth herein are true in all material respects, under the penalties of perjury.

IN WITNESS WHEREOF, Financial Strategic Portfolios has caused these Articles of Amendment to be signed in its name and on its behalf by its President and witnessed by its Secretary on the 17th day of November, 1994.

These Articles of Amendment shall be effective upon acceptance by the Maryland State Department of Assessments and Taxation.

FINANCIAL STRATEGIC PORTFOLIOS, INC.

BY: /s/ Dan J. Hesser

DAN J. HESSER
President

[SEAL]

WITNESSED:

/s/ Glen A. Payne

GLEN A. PAYNE, Secretary

CERTIFICATION

I, Ruth A. Christensen, a notary public in and for the County of Denver, City of Denver, and State of Colorado, do hereby certify that Dan J. Hesser, personally known to me to be the person whose name is subscribed to the foregoing Articles of Amendment, appeared before me this date in person and acknowledged that he signed, sealed and delivered said instrument as his free and voluntary act and deed for the uses and purposes therein set forth.

Given my hand and official seal this 17th day of November, 1994.

/s/ Ruth A. Christensen

Notary Public
7800 E. Union Avenue
Denver, Colorado 80237

[SEAL]

My commission expires March 16, 1998.

AMENDED BY-LAWS
OF
FINANCIAL STRATEGIC PORTFOLIOS, INC.
AS OF JULY 21, 1993

ARTICLE I

OFFICES

Section 1.1 Principal Office. The principal office of the Corporation in the State of Maryland shall be in the City of Baltimore.

Section 1.2 Other Offices. In addition to its principal office in the State of Maryland, the Corporation may have an office in the State of Maryland, the Corporation may have an office or offices in the City of Englewood, State of Colorado and at such other places as the Board of Directors may from time to time designate or the business of the Corporation may require.

ARTICLE II

STOCKHOLDERS

Section 2.1 Annual Meetings. Unless otherwise determined by the board of directors or required by applicable law, no annual meeting of shareholders shall be held unless one or more of the following is required to be acted on by the shareholders under the Investment Company Act of 1940: (1) election of directors; (2) approval of the Investment Advisory Agreement; (3) ratification of the selection of independent public accountants; and (4) approval of a distribution agreement. The annual meeting of the Corporation, if held, shall be held in Denver, Colorado, at such time as the board of directors shall direct, on the final business day in January.

Section 2.2 Special Meetings. Special meetings of the stockholders may be called upon request, in writing, by the President or in his absence a Vice President, or by a vote of a majority of the Board of Directors. Special meetings of stockholders shall be called by the Secretary upon the written request of the holders of shares entitled to not less than ten percent (10%) of all the votes entitled to be cast at such meeting. Such request shall state the purpose or purposes of such meeting and the matters proposed to be acted on thereat. No special meeting need be called upon the request of the holders of shares entitled to cast less than a majority of all votes entitled to be cast at such meeting, to consider any matter which is substantially the same as a matter voted upon at a special meeting of the stockholders held during the preceding twelve months.

Section 2.3 Place of Meetings. Meetings of stockholders shall be held at the office of the Corporation in the City of Englewood, State of Colorado or at any other place within the United States as may be designated from time to time

by the Board of Directors.

Section 2.4 Notices. Written or printed notice of every stockholders' meeting stating the place, date, and time shall be given by the Secretary not less than ten (10) nor more than ninety (90) days before such meeting to each stockholder entitled to vote at such meeting, either by mail or by presenting it to him personally or by leaving it at his residence or usual place of business. Notice of every special meeting shall indicate briefly the purpose or purposes for which the meeting is called and no business other than that stated in the notice shall be transacted at the meeting. If mailed, notice of a meeting shall be deemed to be given when deposited in the United States mail, postage prepaid, addressed to the stockholder at his post-office address as it appears on the records of the Corporation.

Section 2.5 Quorum. Except as otherwise provided by law, by the Articles of Incorporation, or by these Bylaws, at all meetings of stockholders the holders of a majority of the shares issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall be requisite and shall constitute a quorum for the transaction of business. In the absence of a quorum, the stockholders present or represented by proxy and entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present. At any adjourned meeting at which a quorum shall be present, any business may be transacted as if the meeting had been held as originally called.

Section 2.6 Voting Rights, Proxies. At each meeting of stockholders at which a quorum is present, each holder of record of stock entitled to vote thereat shall be entitled to one vote in person or by proxy, executed in writing by the stockholder or his duly authorized attorney-in-fact, for each share of the Corporation entitled to vote so registered in his name or on the books of the Corporation on the date fixed or the record date for the determination of stockholders entitled to vote at such meeting. No proxy shall be valid after eleven months from its date, unless otherwise provided in the proxy. There shall be no cumulative voting in the election of directors.

Section 2.7 Voting. Except as otherwise provided by law, by the Articles of Incorporation, or by these By-Laws, all matters shall be decided by (a) with respect to matters to be voted upon by all shares of the Corporation and not by class, the affirmative vote of the holders of a majority of the shares represented at the meeting; (b) with respect to matters to be voted upon by class, or by one or more classes, the affirmative vote of a class by the holders of a majority of the shares of such class, or classes, represented at the meeting. If demanded by shareholders present in person or by proxy entitled to cast twenty-five percent (25%) in number of votes, or if ordered by the chairman of the meeting, the vote upon any election or question shall be taken by ballot

and upon such demand or order, the voting shall be conducted by two (2) inspectors appointed by the chairman of the meeting, in which event the proxies and ballots shall be received and all questions with respect to the qualification of votes and the validity of proxies and the acceptance or rejection of votes shall be decided by such inspectors. Unless so demanded or ordered, no vote need be by ballot and the voting need not be conducted by inspectors.

Section 2.8 Qualification. At every meeting of the stockholders, unless the voting is conducted by inspectors, all questions with respect to the qualifications of voters, the validity of proxies, and the acceptance or rejection of votes shall be decided by the chairman of the meeting.

ARTICLE III

DIRECTORS

Section 3.1 Powers. The business of the Corporation shall be managed by its Board of Directors, which may exercise all of the powers of the Corporation, except such as are by law or by the Articles of Incorporation or by these By-Laws conferred upon or reserved to the stockholders. The Board of Directors shall keep full and complete records of its transactions.

Section 3.2 Number and Term. The Board of Directors shall consist of not less than three (3) directors, the number of directors to be fixed from time to time by the affirmative vote of a majority of the whole Board of Directors. Until the first annual meeting of stockholders or until successors are duly elected and qualify, the Board of Directors shall consist of the persons named as such in the Articles of Incorporation. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors to hold office until the next annual meeting or until their successors are elected and qualify. Directors need not be stockholders in the Corporation.

Section 3.3 Election. The members of the Board of Directors shall be elected by the stockholders by plurality vote at the annual meeting, or at any special meeting called for such purpose. Each director shall hold office until his successor shall have been duly chosen and qualified, or until he shall have resigned or shall have been removed in the manner provided by law. Any vacancy, including one created by an increase in the number of the Board of Directors (except where such vacancy is created by removal by the shareholders) may be filled by the vote of a majority of the remaining directors, although such majority is less than a quorum; provided, however, that immediately after filling any vacancy by such action of the Board of Directors, at least two-thirds (2/3) of the directors then holding office shall have been elected by the stockholders at an annual or special meeting.

Section 3.4 Organizational Meeting. The board of directors shall meet in the month of January at such place as they may designate for the purpose of organization, the election of officers, and the transaction of other business. Other regular meetings shall be held as scheduled by a majority of the directors.

Section 3.5 Regular Meetings. Unless the Board of Directors otherwise determines, there shall be held in each year three (3) regular meetings at such intervals as the Board may from time to time determine.

Section 3.6 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President, by a majority of the Board of Directors, or by a majority of the Executive Committee.

Section 3.7 Notice of Meetings. Written or oral notice of special meetings of the Board of Directors, stating the place, date, and time thereof, shall be given not less than two (2) days before such meeting to each director, personally, by telegram, by mail, by telephone, or by leaving such notice at his place of residence or usual place of business. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, addressed to the director at his post-office address as it appears on the records of the Corporation. Unless otherwise directed by the Board of Directors, no notice of any meeting of the Board of Directors need state the business to be transacted thereat. Any meeting of the Board of Directors may be adjourned from time to time and reconvened at the same or some other place, and no notice need be given of any such adjourned meeting other than by announcement.

Section 3.8 Quorum. At all meetings of the Board of Directors, a majority of the entire Board of Directors shall be requisite to and constitute a quorum for the transaction of business. If a quorum is present, the affirmative vote of a majority of the directors present shall be the act of the Board of Directors, unless the concurrence of a greater proportion is required for such action by law, the Articles of Incorporation, or these By-Laws. If at any meeting of the Board there be less than a quorum present, the directors present thereat, by a majority vote, may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 3.9 Telephone Meetings. Any member or members of the Board of Directors or of any committee designated by the Board, may participate in a meeting of the Board, or any such committee, as the case may be, by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting. This

Section 3.9 shall not be applicable to meetings held for the purpose of voting in respect of approval of contracts or agreements whereby a person undertakes to serve or act as investment adviser of, or principal underwriter for, the Corporation.

Section 3.10 Action by Directors and Committees Without Meeting. The provisions of these By-Laws covering notices and meetings to the contrary notwithstanding, and except as required by law, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if a written consent to such action is signed by all members of the Board or of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.

Section 3.11 Expenses and Fees. Directors shall be entitled to receive such compensation from the corporation for their services as may from time to time be voted by the board of directors. All directors shall be reimbursed for their reasonable expenses of attendance, if any, at board and committee meetings. Any

director of the corporation may also serve the corporation in any other capacity and receive compensation therefor.

Section 3.12 Resignation and Removal. Any director or member of any committee may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein. If no time is specified, it shall take effect from the time of its receipt by the Secretary, who shall record such resignation, noting the day and hour of its reception. The acceptance of a resignation shall not be necessary to make it effective. Any one or more of the directors may be removed, either with or without cause, at any time, by the affirmative vote of the stockholders holding a majority of the outstanding shares entitled to vote for the election of directors. The successor or successors of any director or directors so removed may be elected by the stockholders entitled to vote thereon at the same meeting to fill any resulting vacancies for the unexpired term of removed directors. Except as provided by law, pending or in the absence of such an election the successors of any director or directors so removed may be chosen by the Board of Directors.

Section 3.13 Execution of Instruments and Documents and Signing of Checks and Other Obligations and Transfers. Unless otherwise provided by resolution of the Board of Directors, all instruments, documents and other papers shall be executed in the name and on behalf of the Corporation and all checks, notes, drafts and other obligations for the payment of money by the Corporation shall be signed, and all transfers of securities standing in the name of the Corporation shall be executed, by the President or a Vice President, and shall be countersigned by the Treasurer or the Secretary.

Section 3.14 Contracts. (a) The Board of Directors may in its discretion from time to time enter into a contract providing for the sale of the shares of the Corporation whereby the Corporation may either agree to sell the shares to the other party to the contract or to appoint such other party its agent for the sale of such shares, and in either case for the sale of such shares, and in either case on such terms and conditions as the Board of Directors may in its discretion determine; and such contract may also provide for the repurchase of shares of the Corporation by such other party as agent of the Corporation or otherwise.

(b) Except as otherwise provided by law or by the Articles of Incorporation, the Board of Directors may in its discretion from time to time enter into an investment advisory or management contract whereby the other party to such contract shall undertake to furnish to the Board of Directors investment advisory services, all upon such terms and conditions as the Board of Directors may in its discretion determine.

(c) Any contract of the character described in subsections (a) or (b) of this Section 3.14 may be entered into with any corporation, firm, trust or association, although one or more of the members of the Board of Directors or officers of this Corporation may be an officer, director, trustee, shareholder or member of such other party to the contract, and no such contract shall be invalidated or rendered voidable by reason of the existence of any such relationship, nor shall any person holding such relationship be liable merely by

reason of such relationship nor any loss or expense to the Corporation under or by reason of said contract or accountable for any profit realized directly or indirectly therefrom, provided that the contract when entered into was reasonable and fair and consistent with the provisions of this Article III. The same person (including a firm, corporation, trust or association) may be the other party to contracts entered into pursuant to subsections (a) and (b) of this Section 3.14, and any individual may be financially interested or otherwise affiliated with persons who are parties to any and all of the contracts mentioned in this subsection (c). Nothing herein shall be deemed to protect any director or officer or the Corporation against any liability to the Corporation or to its stockholders to which he would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his business.

(d) Any contract entered into pursuant to subsections (a) or (b) of this Section 3.14 or renewal or amendment thereof shall be consistent with and subject to the requirements of the Investment Company Act of 1940 (including any amendment thereof or other applicable Act of Congress hereafter enacted) with respect to its continuance in effect, its termination and the method of authorization and approval of such contract or renewal thereof.

ARTICLE IV

COMMITTEES

Section 4.1 Executive and Other Committees. The Board of Directors, by resolution adopted by a majority of the entire Board, may provide for an Executive Committee and/or other committees, each committee to consist of two (2) or more directors. During intervals between the meetings of the Board of Directors, the Executive Committee shall possess any and all of the powers of the Board of Directors to the extent authorized by the resolution providing for such Executive Committee or by subsequent resolution adopted by a majority of the entire Board of Directors, except the power to: declare dividends or distributions on stock; issue stock; recommend to stockholders any action requiring stockholder approval; amend the By-Laws of the Corporation; or approve any merger or share exchange which does not require stockholder approval. The Executive Committee shall maintain written records of its transactions. All action by the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action, and shall be subject to ratification, with or without revision or alteration, by such vote of the Board of Directors as would have been required under Article III, Section 3.8, hereof, had such action been taken by the Board of Directors. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint a member of the Board of Directors to act in place of such absent member.

Section 4.2 Meetings of Executive and Other Committees. The Executive Committee and any other committee shall fix its own rules of procedure and shall meet as provided by such rules or by resolution of the Board of Directors, and it shall also meet at the call of the President or Chairman of the Board. A

majority of the whole committee shall constitute a quorum. Except where provided by resolution of the Board of Directors, the vote of a majority of such quorum at a duly constituted meeting shall be sufficient to take action. Unless otherwise provided by resolution of the Board of Directors, the President shall preside at all meetings of the Executive Committee.

ARTICLE V

OFFICERS

Section 5.1 Executive Officers. The board of directors may select one of their number as chairman of the board and may select one of their number as vice chairman of the board (neither of which positions shall be considered to be the designation of a position as an officer of the corporation), and shall choose as officers a president from among the directors and a treasurer and a secretary who need not be directors. Two or more of such offices, except those of

President and any Vice President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity if such instrument is required by law, by the Articles of Incorporation, by these By-Laws, or by resolution of the Board of Directors to be executed, acknowledged or verified by any two or more officers. The executive officers of the Corporation shall be elected annually by the Board of Directors at its organizational meeting following the meeting of stockholders at which the Board of Directors was elected, and each executive officer so elected shall hold office until his successor is elected and qualifies.

Section 5.2 Other Officers and Agents. The Board of Directors may also choose one or more Vice Presidents, Assistant Secretaries, and Assistant Treasurers.

Section 5.3 Term, Removal and Vacancies. Each officer of the Corporation shall hold office until his successor is elected and qualifies. Any officer or agent of the Corporation may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contractual rights, if any, of the person so removed.

Section 5.4 Power and Duties. All officers and agents of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the Corporation as may be provided in or pursuant to these By-Laws, or, to the extent not so provided, as may be prescribed by the Board of Directors; provided, that no rights of any third party shall be affected or impaired by any such By-Law or resolution of the Board unless he has knowledge thereof.

Section 5.5 Chairman of the Board. The Chairman of the Board, if one shall be elected, shall preside at all meetings of the Board of Directors, and shall appoint all committees except such as are required by statute, these By-Laws or a resolution of the Board of Directors or of the Executive Committee to be otherwise appointed, and shall have such other duties as may be assigned to him from time to time by the Board of Directors. In recognition of notable and

distinguished services to the Corporation, the Board of Directors may designate one of its members as honorary chairman, who shall have such duties as the Board may, from time to time, assign to him by appropriate resolution, excluding, however, any authority or duty vested by law or these By-Laws in any other officer.

Section 5.6 President. The President shall preside at all meetings of the shareholders and of the Executive Committee and, in the absence of the Chairman of the Board or if a Chairman of the Board is not elected, at all meetings of the Board of Directors. Except as otherwise provided by the Board of Directors,

he shall have direct control of and authority over the business and affairs and over the officers of the Corporation, shall see that all orders and resolutions of the Board of Directors are carried into effect, and, in connection therewith, shall be authorized to delegate to one or more Vice Presidents such of his powers and duties at such times and in such manner as he may deem advisable. The President shall also perform all such other duties as are incident to his office and as may be assigned to him from time to time by the Board of Directors.

Section 5.7 Vice President. The Vice President or Vice Presidents, at the request of the President or in his absence or inability to act, shall perform the duties and exercise the functions of the President in such manner as may be directed by the President, the Board of Directors or the Executive Committee. The Vice President or Vice Presidents shall have such other powers and perform all such other duties as may be assigned to them by the Board of Directors, the Executive Committee, or the President.

Section 5.8 The Secretary. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall keep the minutes of all meetings of the shareholders, of the Board of Directors and of the Executive Committee at which he shall be present. He shall keep in safe custody the seal of the Corporation and affix or cause the same to be affixed to any instrument requiring it, and, when so affixed, it shall be attested by his signature or by the signature of an Assistant Secretary. He shall make such reports and perform all such other duties as are incident to his office and as may be assigned to him from time to time by the Board of Directors, or by the President.

Section 5.9 Treasurer. The Treasurer shall be the chief financial officer of the Corporation, and as such shall supervise the custody of all funds, securities and valuable documents of the Corporation, subject to such arrangements as may be authorized or approved by the Board of Directors with respect to the custody of assets of the Corporation; shall receive, or cause to be received, and give, or cause to be given, receipts for all funds, securities or valuable documents paid or delivered to, or for the account of, the Corporation, and cause such funds, securities or valuable documents to be deposited for the account of the Corporation with such banks or trust companies as shall be designated by the Board of Directors; shall pay or cause to be paid out of the funds of the Corporation all just debts of the Corporation upon their maturity; shall maintain, or cause to be maintained, accurate records of all receipts, disbursements, assets, liabilities, and transactions of the

Corporation; shall see that adequate audits thereof are regularly made; shall, when required by the Board of Directors, render accurate statements of the condition of the Corporation; and shall perform all such other duties as are incident to his office and as may be assigned to him by the Board of Directors

or by the President.

Section 5.10 Assistant Secretaries, Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers shall have such duties as from time to time may be assigned to them by the Board of Directors, or by the President.

Section 5.11 Compensation. The Board of Directors shall have the power to fix the compensation of all officers and agents of the Corporation, but may delegate to any officer or committee the power of determining the amount of salary to be paid to any officer or agent of the Corporation other than the Chairman of the Board, the President, the Vice Presidents, the Secretary and the Treasurer.

Section 5.12 Delegation of Duties. Whenever an officer is absent or disabled, or whenever for any reason the Board of Directors may deem it desirable, the Board may delegate the powers and duties of an officer to any other officer or officers or to any director or directors.

Section 5.13 Bond. The Board of Directors may require any officer, agent or employee to give bond for the faithful discharge of his duty and for the protection of the Corporation in such sum and with such surety or sureties as the Board may deem advisable.

ARTICLE VI

CAPITAL STOCK

Section 6.1 Issuance of Stock. The Corporation shall not issue its shares of capital stock except as approved by the Board of Directors.

Section 6.2 Certificates of Stock. Certificates for shares of each class of the capital stock of the Corporation shall be in such form and of such design as the Board of Directors shall approve, subject to the right of the Board of Directors to change such form and design at any time or from time to time, and shall be entered in the books of the Corporation as they are issued. Each such certificate shall bear a distinguishing number; shall exhibit the holder's name and certify the number of full shares owned by such holder; shall be signed by, or bear a facsimile of, the signatures of, the President or a Vice President, and shall also be signed by, or bear a facsimile of, the signature of one of the following: the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer of the Corporation; shall be sealed with, or bear a facsimile of, the corporate seal; and shall contain such recitals as may be required by law. The Corporation may, at its option defer the issuance of a certificate or certificates to evidence shares of capital stock owned of record by any stockholder until such time as demand therefor shall be made upon the

Corporation or its Transfer Agent, but upon the making of such demand each stockholder shall be entitled to such certificate or certificates.

In case any officer or officers who shall have signed, or whose facsimile signature or signatures shall appear on, any such certificate or certificates shall cease to be such officer or officers of the Corporation, whether because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates shall, nevertheless, be adopted by the Corporation and be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures shall appear therein had not ceased to be such officer or officers of the Corporation.

No certificates shall be issued for any share of stock until such share is fully paid.

Section 6.3 Transfer of Stock. (a) Transfers of shares of the capital stock of the Corporation shall be made only on the books of the Corporation by the holder thereof, or by his attorney thereunto duly authorized by a power of attorney duly executed and filed with the Corporation or its Transfer Agent, if any, upon written request in proper form if no share certificate has been issued, or in the event such certificate has been issued, upon presentation and surrender in proper form of said certificate.

(b) The Board of Directors of the Corporation may appoint one or more transfer agents of any class of stock of the Corporation. Unless and until such appointment is made, the Secretary of the Corporation shall maintain among other records, a stock certificate book, the stubs in which shall set forth the names and addresses of the holders of all issued shares of the Corporation, the number of shares held by each, the certificate numbers representing such shares, and whether or not such shares originate from original issues or from transfer.

Section 6.4 Record Date. The Board of Directors may fix in advance a date as the record date for the purpose of determining stockholders entitled to notice of, or to vote at, any meeting of stockholders, or stockholders entitled to receive payment of any dividend or the allotment of any rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case shall be not more than ninety (90) days, and in case of a meeting of stockholders not less than ten (10) days prior to the date on which particular action requiring such determination of stockholders is to be taken. In lieu of fixing a record date, the Board of Directors may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, twenty (20) days. If the stock transfer books are closed for the purpose of determining stockholders entitled to notice of a vote at a meeting of stockholders, such books shall be closed for at least ten (10) days immediately preceding such meeting.

Section 6.5 Lost, Stolen, Destroyed or Mutilated Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon satisfactory proof of such loss,

theft or destruction; and the Board of Directors may, in its discretion, require

the owner of the lost, stolen or destroyed certificate, or his legal representative, to give to the Corporation and to such Registrar, Transfer Agent and/or Transfer Clerk as may be authorized or required to countersign such new certificate or certificates, a bond in such sum and of such type as they may direct, and with such surety or sureties, as they may direct, as indemnity against any claim that may be against them or any of them on account of or in connection with the alleged loss, theft or destruction of any such certificate.

Section 6.6 Registered Owners of Stock. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares of stock to receive dividends, to vote as such owner and to hold liable for calls and assessments such person and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Maryland.

Section 6.7 Fractional Denominations. Subject to any applicable provisions of law and the Articles of Incorporation, the Corporation may issue shares of its capital stock in fractional denominations, provided that the transactions in which and the terms and conditions upon which shares in fractional denominations may be issued may from time to time be limited or determined by or under the authority of the Board of Directors.

ARTICLE VII

SALE AND REDEMPTION OF STOCK

Section 7.1 Sale of Stock. Upon the sale of each share of its capital stock, except as otherwise permitted by applicable laws and regulations, the Corporation shall receive in cash or in securities valued as provided in Article VIII of these By-Laws, not less than the current net asset value thereof, exclusive of any distributing commission or discount, and in no event less than the par value thereof.

Section 7.2 Redemption of Stock. Subject to and in accordance with any applicable laws and regulations and any applicable provisions of the Corporation's Articles of Incorporation, the Corporation shall redeem all outstanding shares of its capital stock duly delivered or offered for redemption by any registered stockholder in a manner prescribed by or under authority of the Board of Directors. Any shares so delivered or offered for redemption shall be redeemed at the current net asset value of such shares as determined in accordance with the provisions of Article VIII of these By-Laws provided however, that the Corporation may upon appropriate notice to stockholders impose a redemption fee in which case shares delivered or offered for redemption shall

be redeemed at the current net asset value thereof, less the applicable redemption fee. The Corporation may redeem, at current net asset value, shares not offered for redemption held by any stockholder whose shares have a value of less than \$250, or such lesser amount as may be fixed by the Board of Directors; provided that before the Corporation redeems such shares it must notify the stockholder that the value of his shares is less than \$250 and allow him 60 days

to make an additional investment in an amount which will increase the value of his account to \$250 or more. The Corporation shall pay redemption prices in cash.

ARTICLE VIII

DETERMINATION OF NET ASSET VALUE; VALUATION OF PORTFOLIO SECURITIES AND OTHER ASSETS

Section 8.1 Net Asset Value. The net asset value of a share of the capital stock of the Corporation shall be separately determined for each class of common stock in accordance with applicable laws and regulations under the supervision of such persons and at such time or times as shall from time to time be prescribed by the Board of Directors. Each such determination shall be made for each class of common stock, in accordance with procedures which recognize the rights of the holders of each class in assets belonging to such class and in General Assets specifically allocated to that class and which recognize the liabilities of each class and its share of General Liabilities, by subtracting from the value of the assets of the Corporation (as determined pursuant to Section 8.2 of these By-Laws) the amount determined by or pursuant to the direction of the Directors, in the proportion specifically allocated to a class, of all debts obligations and liabilities of the Corporation (excluding the Corporation's liability upon its capital stock and surplus). The net asset value of a class of Common Stock so obtained shall then be divided by the number of shares of such class of common stock issued and outstanding, to obtain the net asset value of one outstanding share of that class. The value so obtained shall be adjusted to the nearest full cent per share.

Section 8.2 Valuation of Portfolio Securities and Other Assets. Except as otherwise required by any applicable law or regulation of any regulatory agency having jurisdiction over the activities of the Corporation, the Corporation shall determine the value of its portfolio securities and other assets as follows:

(a) securities for which market quotations are readily available shall be valued at current market value determined in such manner as the Board of Directors may from time to time prescribe;

(b) all other securities and assets shall be valued at amounts deemed best to reflect their fair value as determined in good faith by or under the supervision of such persons and at such time or times as shall from time to time be prescribed by the Board of Directors.

All quotations, sale prices, bid and asked prices and other information shall be obtained from such sources as the person making such determination believes to be reliable and any determination of net asset value based thereon shall be conclusive.

ARTICLE IX

DIVIDENDS AND DISTRIBUTIONS

Subject to any applicable provisions of law and the Articles of Incorporation, dividends and distributions upon the capital stock of the Corporation may be declared at such intervals as the Board of Directors may determine, in cash, in securities or other property, or in shares of stock of the Corporation, from any sources permitted by law, all as the Board of Directors shall from time to time determine.

Inasmuch as the computation of net income and net profits from the sale of securities or other properties for federal income tax purposes may vary from the computation thereof on the books of the Corporation, the Board of Directors shall have power, in its discretion, to distribute as income dividends and as capital gain distributions, respectively, amounts sufficient to enable the Corporation to avoid or reduce liability for federal income tax purposes.

The Board of Directors may enter into contracts with such agents as necessary to perform the dividend and capital gain disbursing functions as provided for herein.

ARTICLE X

INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

10.1 Definitions. The following definitions shall apply to the terms as used in this Article:

(a) "Corporation" includes this corporation and any domestic or foreign predecessor entity of the corporation in a merger, consolidation, or other transaction in which the predecessor's existence ceased upon consummation of the transaction.

(b) "Director" means an individual who is or was a director of the corporation and an individual who, while a director of the corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan. A director shall be considered to be serving an employee benefit plan at the corporation's request if his or her duties to the corporation also impose duties on or otherwise involve services by him or her to the plan or to participants in or beneficiaries of the plan.

(c) "Expenses" includes attorney fees.

(d) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to an employee benefit plan), or reasonable expense incurred with respect to a proceeding.

(e) "Official capacity," when used with respect to a director, means the office of director in the corporation, and, when used with respect to an individual other than a director, means the office in the corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the corporation. "Official capacity" does not include service for any other foreign or domestic corporation or for any partnership, joint venture, trust, other enterprise, or employee benefit plan.

(f) "Party" includes an individual who was, is, or is threatened to be made a named defendant or respondent in a proceeding.

(g) "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal.

Section 10.2 Indemnification for Liability

(a) Except as provided in paragraph (d) of this Section (2), the corporation shall indemnify against liability incurred in any proceeding any individual made a party to the proceeding because he or she is or was a director or officer if:

- i) He or she conducted himself or herself in good faith;
- ii) He or she reasonably believed:

- a) In the case of conduct in his or her official capacity with the corporation, that his or her conduct was in the corporation's best interests; or

b) In all other cases, that his or her conduct was at least not opposed to the corporation's best interests; and

iii) In the case of any criminal proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful.

(b) A director's or officer's conduct with respect to an employee benefit plan for a purpose he or she reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirements of this Section (2). A director's or officer's conduct with respect to an employee benefit plan for a purpose that he or she did not reasonably believe to be in the interests of the participants in or beneficiaries of the plan shall be deemed not to satisfy the requirements of this Section (2).

(c) The termination of any proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, creates a rebuttable presumption that the individual did not meet the standard of conduct set forth in paragraph (a) of this Section (2).

(d) The corporation may not indemnify a director or officer under this Section (2) either:

i) In connection with a proceeding by or in the right of the corporation in which the director or officer was adjudged liable to the corporation; or

ii) In connection with any proceeding charging improper personal benefit to the director or officer, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

(e) Indemnification permitted under this Section (2) in connection with a proceeding by or in the right of the corporation is limited to reasonable expenses incurred in connection with the proceeding.

Section 10.3 Indemnification for Expenses.

a. Except as limited by these Bylaws or the Articles of Incorporation, the corporation shall be required to indemnify a person who is or was a director or officer of the corporation and who was wholly successful, on the merits or otherwise, in defense of any proceeding to

which he or she was a party against reasonable expenses incurred by him or her in connection with the proceeding.

Section 10.4 Court-Ordered Indemnification. Except as otherwise limited by these Bylaws or the Articles of Incorporation, a director or officer who is or was a party to a proceeding may apply for indemnification to the court conducting the proceeding or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice the court considers necessary, may order indemnification in the following manner:

i) If it determines the director or officer is entitled to mandatory indemnification, the court shall order indemnification, in which case the court shall also order the corporation to pay the director's or officer's reasonable expenses incurred to obtain court-ordered indemnification.

ii) If it determines that the director or officer is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he or she met the standard of conduct set forth in paragraph (a) of Section (2) of this Article or was adjudged liable in the circumstances described in paragraph (d) of Section (2) of this Article, the court may order such

indemnification as the court deems proper; except that the indemnification with respect to any proceeding in which liability shall have been adjudged in the circumstances described in paragraph (d) of Section (2) of this Article is limited to reasonable expenses incurred.

Section 10.5 Limitation on Indemnification.

a. The corporation may not indemnify a director or officer under Section (2) of this Article unless authorized in the specific case after a determination has been made that indemnification of the director or officer is mandatory in the circumstances because he or she has met the standard of conduct set forth in paragraph (a) of Section (2) of this Article.

b. The determination required to be made by paragraph (a) of this Section (5) shall be made:

i) By the board of directors by a majority vote of a quorum, which quorum shall consist of directors not parties to the proceeding; or

ii) If a quorum cannot be obtained, by a majority vote of a

committee of the board designated by the board, which committee shall consist of two or more directors not parties to the proceeding: except that directors who are parties to the proceeding may participate in the designation of directors for the committee.

c. If the quorum cannot be obtained or the committee cannot be established under paragraph (b) of this Section (5), or even if a quorum is obtained or a committee designated if such quorum or committee so directs, the determination required to be made by paragraph (a) of this Section (5) shall be made:

i) By independent legal counsel selected by a vote of the board of directors or the committee in the manner specified in subparagraph (I) or (II) of paragraph (b) of this Section (5) or, if a quorum of the full board cannot be obtained and a committee cannot be established, by independent legal counsel selected by a majority vote of the full board; or

ii) By the shareholders.

d. Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is mandatory; except that, if the determination that indemnification is mandatory is made by independent legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by the body that selected said counsel.

Section 10.6 Advance Payment of Expenses.

a. The corporation shall pay for or reimburse the reasonable expenses incurred by a director, officer, employee or agent who is a party to a proceeding in advance of the final disposition of the proceeding if:

i) The director, officer, employee or agent furnishes the corporation a written affirmation of his or her good-faith belief that he or she has met the standard of conduct described in subparagraph (I) of paragraph (a) of Section (2) of this Article;

ii) The director, officer, employee or agent furnishes the corporation a written undertaking, executed personally or on his or her behalf, to repay the advance if it is determined that he or she did not meet such standard of conduct; and

iii) A determination is made that the facts then known to

those making the determination would not preclude indemnification under this Section (6).

b. The undertaking required by subparagraph (II) of paragraph (a) of this Section (6) shall be an unlimited general obligation of the director, officer, employee or agent, but need not be secured and may be accepted without reference to financial ability to make repayment.

Section 10.7 Reimbursement of Witness Expenses. The corporation shall pay or reimburse expenses incurred by a director or officer in connection with his or her appearance as a witness in a proceeding at a time when he or she has not been made a named defendant or respondent in the proceeding.

Section 10.8 Insurance for Indemnification. The corporation may purchase and maintain insurance on behalf of an individual who is or was a director, officer, employee, fiduciary, or agent of the corporation and who, while a director, officer, employee, fiduciary, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

Section 10.9 Notice of Indemnification. Any indemnification of or advance of expenses to a director or officer in accordance with this Article, if arising out of a proceeding by or on behalf of the corporation, shall be reported in writing to the shareholders with or before the notice of the next shareholders' meeting.

Section 10.10 Indemnification of Officers, Employees and Agents of the Corporation. The Board of Directors may indemnify and advance expenses to an officer, employee or agent of the corporation who is not a director of the corporation to the same or greater extent as to a director if such indemnification and advance expense payment is provided for in these Bylaws, the Articles of Incorporation, by resolution of the shareholders or directors or by contract, in a manner consistent with the Maryland Corporation Code.

ARTICLE XI

BOOKS AND RECORDS

Section 11.1 Location. The books and records of the Corporation may be kept outside the State of Maryland at such place or places as the Board of

Directors may from time to time determine, except as otherwise required by law.

Section 11.2 Stock Ledgers. The Corporation shall maintain at the office of its Transfer Agent an original stock ledger containing the names and addresses of all stockholders and the number of shares held by each stockholder. Such stock ledger may be in written form or any other form capable of being converted into written form within a reasonable time for visual inspection.

Section 11.3 Annual Statement. The President or a Vice President or the Treasurer shall prepare or cause to be prepared annually a full and correct statement of the affairs of the Corporation, including a statement of assets and liabilities and a statement of operations for the preceding fiscal year, which shall be submitted at the annual meeting of stockholders and shall be filed within twenty (20) days thereafter at the principal office of the Corporation in the State of Maryland.

ARTICLE XII

CUSTODY OF CASH AND SECURITIES

All cash and securities owned by the corporation from time to time shall be deposited with and held by a custodian which shall be a bank (as defined in the Investment Company Act of 1940), upon such terms and conditions as the Board of Directors may, in its discretion determine, all in conformity with the Investment Company Act of 1940.

ARTICLE XIII

WAIVER OF NOTICE

Whenever any notice of the time, place or purpose of any meeting of stockholders, directors, or of any committee is required to be given under the provisions of the statute or under the provisions of the Articles of Incorporation or these By-Laws, a waiver thereof in writing, signed by the

person or persons entitled to such notice and filed with the records of the meeting, whether before or after the holding thereof, or actual attendance at the meeting of directors or committee in person, shall be deemed equivalent to the giving of such notice to such person.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 Seal. The Board of Directors shall adopt a corporate seal, which shall be in the form of a circle, and shall have inscribed thereon the

name of the Corporation, the year of its incorporation, and the words "Corporate Seal - Maryland." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 14.2 Fiscal Year. The fiscal year of the Corporation shall end on such dates as the Board of Directors may by resolution specify, and the Board of Directors may by resolution change such date for future fiscal years at any time and from time to time.

Section 14.3 Orders for Payment of Money. All orders or instructions for the payment of money of the Corporation, and all notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate, or as may be specified in or pursuant to the agreement between the Corporation and the bank or trust company appointed as Custodian of the securities and funds of the Corporation.

Section 14.4 Voting Upon Stock in Other Corporations. Any stock in other corporations and associations, which may from time to time be held by the Corporation, may be voted at any meeting of the Shareholders thereof by the President or a Vice President of the Corporation or by proxy or proxies appointed by the President or a Vice President of the Corporation. The Board of Directors, however, may by resolution appoint some other person or persons to vote such stock, in which case such person or persons shall be entitled to vote such stock upon the production of a certified copy of such resolution.

ARTICLE XV

COMPLIANCE WITH FEDERAL REGULATIONS

The Board of Directors is hereby empowered to take such action as they may deem to be necessary, desirable or appropriate so that the Corporation is or shall be in compliance with any federal or state statute, rule or regulation with which compliance by the Corporation is required.

ARTICLE XVI

AMENDMENTS

These By-Laws may be amended, altered, or repealed at any annual or special meeting of the stockholders by the affirmative vote of the holders of a majority of the shares of capital stock of the Corporation issued and outstanding and entitled to vote, provided notice of the general purpose of the proposed amendment, alteration or appeal is given in the notice of said meeting or, at

any meeting of the Board of Directors, provided, however, that any By-Law or amendment or alteration of the By-Laws adopted by the Board of Directors may be amended, altered or repealed, and any By-Law repealed by the Board of Directors may be reinstated, by vote of the stockholders of the Corporation.

The By-Laws adopted and approved by the board of directors on January 20, 1984, have been revised to reflect amendments through July 21, 1993, as set forth below:

Minutes dated April 29, 1986 - Article X
Minutes dated January 13, 1988 - Article II, Section 2.1
Minutes dated August 22, 1988 - Article II, Section 2.1
Minutes dated October 10, 1989 - Article V, Section 5.1
Minutes dated January 22, 1992 - Article III, Sections 3.4
and 3.11; Article V, Section 5.1
Minutes dated July 21, 1993 - Article II, Section 2.2

INVESTMENT ADVISORY AGREEMENT

THIS AGREEMENT is made this 28th day of February, 1997, in Denver, Colorado, by and between INVESCO Funds Group, Inc. (the "Adviser"), a Delaware corporation, and INVESCO Strategic Portfolios, Inc., a Maryland Corporation (the "Fund").

W I T N E S S E T H :

WHEREAS, the Fund is a corporation organized under the laws of the State of Maryland; and

WHEREAS, the Fund is registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), as a diversified, open-end management investment company and currently has one class of shares which is divided into series (the "Shares"), which may be divided into additional series, each representing an interest in a separate portfolio of investments (the Energy Portfolio, Environmental Services Portfolio, Financial Services Portfolio, Gold Portfolio, Health Sciences Portfolio, Leisure Portfolio, Technology Portfolio, and Utilities Portfolio); and

WHEREAS, the Fund desires that the Adviser manage its investment operations and to provide certain other services, and the Adviser desires to manage said operations and to provide such other services;

NOW, THEREFORE, in consideration of these premises and of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. Investment Management Services. The Adviser hereby agrees to manage the investment operations of the Fund's Portfolios, subject to the terms of this Agreement and to the supervision of the Fund's directors (the "Directors"). The Adviser agrees to perform, or arrange for the performance of, the following specific services for the Fund:
 - (a) to manage the investment and reinvestment of all the assets, now or hereafter acquired, of the Fund's Portfolios, and to execute all purchases and sales of portfolio securities;
 - (b) to maintain a continuous investment program for the Fund's Portfolios, consistent with (i) the Portfolios' investment policies as set forth in the Fund's Articles of Incorporation, Bylaws, and Registration Statement, as from time to time amended, under the Investment Company Act of 1940, as amended (the "1940 Act"), and in any prospectus and/or statement of additional information of the Fund, as from time to time amended and in use under the Securities Act of 1933, as amended, and (ii) the Fund's status as a

regulated investment company under the Internal Revenue Code of 1986, as amended;

- (c) to determine what securities are to be purchased or sold for the Fund's Portfolios, unless otherwise directed by the Directors of the Fund, and to execute transactions accordingly;

- (d) to provide to the Fund's Portfolios the benefit of all of the investment analyses and research, the reviews of current economic conditions and of trends, and the consideration of long-range investment policy now or hereafter generally available to investment advisory customers of the Adviser;

- (e) to determine what portion of the Fund's Portfolios should be invested in the various types of securities authorized for purchase by the Fund; and

- (f) to make recommendations as to the manner in which voting rights, rights to consent to Fund action and any other rights pertaining to the Portfolios' securities shall be exercised.

With respect to execution of transactions for the Fund's Portfolios, the Adviser is authorized to employ such brokers or dealers as may, in the Adviser's best judgment, implement the policy of the Fund to obtain prompt and reliable execution at the most favorable price obtainable. In assigning an execution or negotiating the commission to be paid therefor, the Adviser is authorized to consider the full range and quality of a broker's services which benefit the Fund, including but not limited to research and analytical capabilities, reliability of performance, and financial soundness and responsibility. Research services prepared and furnished by brokers through which the Adviser effects securities transactions on behalf of the Fund may be used by the Adviser in servicing all of its accounts, and not all such services may be used by the Adviser in connection with the Fund. In the selection of a broker or dealer for execution of any negotiated transaction, the Adviser shall have no duty or obligation to seek advance competitive bidding for the most favorable negotiated commission rate for such transaction, or to select any broker solely on the basis of its purported or "posted" commission rate for such transaction, provided, however, that the Adviser shall consider such "posted" commission rates, if any,

together with any other information available at the time as to the level of commissions known to be charged on comparable transactions by other qualified brokerage firms, as well as all other relevant factors and circumstances, including the size of any contemporaneous market in such securities, the importance to the Fund of speed, efficiency, and confidentiality of execution, the execution capabilities required by the circumstances of the particular transactions, and the apparent knowledge or familiarity with sources from or to whom such securities may be purchased or sold. Where the commission rate reflects services, reliability and other relevant factors in addition to the cost of execution, the Adviser shall have the burden of demonstrating that such expenditures were bona fide and for the benefit of the Fund.

2. Other Services and Facilities. The Adviser shall, in addition, supply at its own expense all supervisory and administrative services and facilities necessary in connection with the day-to-day operations of the Fund (except those associated with the preparation and maintenance of certain required books and

records, and recordkeeping and administrative functions relating to employee benefit and retirement plans, which services and facilities are provided under a separate Administrative Services Agreement between the Fund and the Adviser). These services shall include, but not be limited to: supplying the Fund with officers, clerical staff and other employees, if any, who are necessary in connection with the Fund's operations; furnishing office space, facilities, equipment, and supplies; providing personnel and facilities required to respond to inquiries related to shareholder accounts; conducting periodic compliance reviews of the Fund's operations; preparation and review of required documents, reports and filings by the Adviser's in-house legal and accounting staff (including the prospectus, statement of additional information, proxy statements, shareholder reports, tax returns, reports to the SEC, and other corporate documents of the Fund), except insofar as the assistance of independent accountants or attorneys is necessary or desirable; supplying basic telephone service and other utilities; and preparing and maintaining the books and records required to be prepared and maintained by the Fund pursuant to Rule 31a-1(b)(4), (5), (9), and (10) under the Investment Company Act of 1940. All books and records prepared and maintained by the Adviser for the Fund under this Agreement shall be the property of the Fund and, upon request therefor, the Adviser shall surrender to the Fund such of the books

and records so requested.

3. Payment of Costs and Expenses. The Adviser shall bear the costs and expenses of all personnel, facilities, equipment and supplies reasonably necessary to provide the services required to be provided by the Adviser under this Agreement. The Fund shall pay all of the costs and expenses associated with its operations and activities, except those expressly assumed by the Adviser under this Agreement, including but not limited to:
- (a) all brokers' commissions, issue and transfer taxes, and other costs chargeable to the Fund in connection with securities transactions to which the Fund is a party or in connection with securities owned by the Fund's Portfolios;
 - (b) the fees, charges and expenses of any independent public accountants, custodian, depository, dividend disbursing agent, dividend reinvestment agent, transfer agent, registrar, independent pricing services and legal counsel for the Fund;
 - (c) the interest on indebtedness, if any, incurred by the Fund;
 - (d) the taxes, including franchise, income, issue, transfer, business license, and other corporate fees payable by the Fund to federal, state, county, city, or other governmental agents;
 - (e) the fees and expenses involved in maintaining the registration and qualification of the Fund and of its shares under laws administered by the Securities and Exchange

Commission or under other applicable regulatory requirements;

- (f) the compensation and expenses of its independent Directors, and the compensation of any employees and officers of the Fund who are not employees of the Adviser or one of its affiliated companies and compensated as such;
- (g) the costs of printing and distributing reports, notices of shareholders' meetings, proxy statements, dividend notices, prospectuses, statements of additional information and other communications to the Fund's shareholders, as well as all expenses of shareholders' meetings and Directors' meetings;

- (h) all costs, fees or other expenses arising in connection with the organization and filing of the Fund's Articles of Incorporation, including its initial registration and qualification under the 1940 Act and under the Securities Act of 1933, as amended, the initial determination of its tax status and any rulings obtained for this purpose, the initial registration and qualification of its securities under the laws of any state and the approval of the Fund's operations by any other federal or state authority;
- (i) the expenses of repurchasing and redeeming shares of the Fund's Portfolios;
- (j) insurance premiums;
- (k) the costs of designing, printing, and issuing certificates representing shares of beneficial interest of the Fund's Portfolios;
- (l) extraordinary expenses, including fees and disbursements of Fund counsel, in connection with litigation by or against the Fund;
- (m) premiums for the fidelity bond maintained by the Fund pursuant to Section 17(g) of the 1940 Act and rules promulgated thereunder (except for such premiums as may be allocated to third parties, as insured thereunder);
- (n) association and institute dues;
- (o) the expenses of distributing shares of the Fund but only if and to the extent permissible under a plan of distribution adopted by the Fund pursuant to Rule 12b-1 of the Investment Company Act of 1940; and
- (p) all fees paid by the Fund for administrative, recordkeeping, and sub-accounting services under the Administrative Services Agreement between the Fund and the Adviser dated April 30, 1991.

4. Use of Affiliated Companies. In connection with the rendering of the services required to be provided by the Adviser under this

Agreement, the Adviser may, to the extent it deems appropriate and subject to compliance with the requirements of applicable laws and regulations, and upon receipt of written approval of the Fund, make use of its affiliated companies and their employees; provided that the Adviser shall supervise and remain fully responsible for all such services in accordance with and to the extent provided by this Agreement and that all costs and expenses associated with the providing of services by any such companies or employees and required by this Agreement to be borne by the Adviser shall be borne by the Adviser or its affiliated companies.

5. Compensation of The Adviser. For the services to be rendered and the charges and expenses to be assumed by the Adviser hereunder, the Fund shall pay to the Adviser an advisory fee which will be computed daily and paid as of the last day of each month, using for each daily calculation the most recently determined net asset value of each of the Fund's Portfolios, as determined by valuations made in accordance with the Fund's procedures for calculating its net asset value as described in the Fund's Prospectus and/or Statement of Additional Information. The advisory fee to the Adviser shall be computed at the following annual rates: 0.75% of a Portfolio's daily net assets up to \$350 million; 0.65% of a Portfolio's daily net assets in excess of \$350 million but not more than \$700 million; and 0.55% of a Portfolio's daily net assets in excess of \$700 million. During any period when the determination of the Fund's net asset value is suspended by the Directors of the Fund, the net asset value of a share of the Fund as of the last business day prior to such suspension shall, for the purpose of this Paragraph 5, be deemed to be the net asset value at the close of each succeeding business day until it is again determined.

However, no such fee shall be paid to the Adviser with respect to any assets of the Fund's Portfolios which may be invested in any other investment company for which the Adviser serves as investment adviser. The fee provided for hereunder shall be prorated in any month in which this Agreement is not in effect for the entire month.

If, in any given year, the sum of a Portfolio's expenses exceeds the state-imposed annual expense limitation to which the Fund is subject, the Adviser will be required to reimburse that Portfolio for such excess expenses promptly. Interest, taxes and extraordinary items such as litigation costs are not deemed expenses for purposes of this paragraph and shall be borne by that Portfolio in any event. Expenditures, including costs incurred in connection with the purchase or sale of portfolio securities, which are capitalized in accordance with generally accepted accounting principles applicable to investment companies, are accounted for as capital items and

shall not be deemed to be expenses for purposes of this paragraph.

6. Avoidance of Inconsistent Positions and Compliance with Laws. In connection with purchases or sales of securities for the investment portfolio of the Fund's Portfolios, neither the Adviser nor its officers or employees will act as a principal or

agent for any party other than the Fund's Portfolios or receive any commissions. The Adviser will comply with all applicable laws in acting hereunder including, without limitation, the 1940 Act; the Investment Advisers Act of 1940, as amended; and all rules and regulations duly promulgated under the foregoing.

7. Duration and Termination. This Agreement shall become effective as of the date it is approved by a majority of the outstanding voting securities of the Fund's Portfolios, and unless sooner terminated as hereinafter provided, shall remain in force for an initial term ending two years from the date of execution, and from year to year thereafter, but only as long as such continuance is specifically approved at least annually (i) by a vote of a majority of the outstanding voting securities of the Fund's Portfolios or by the Directors of the Fund, and (ii) by a majority of the Directors of the Fund who are not interested persons of the Adviser or the Fund by votes cast in person at a meeting called for the purpose of voting on such approval.

This Agreement may, on 60 days' prior written notice, be terminated without the payment of any penalty, by the Directors of the Fund, or by the vote of a majority of the outstanding voting securities of the Fund's Portfolios, as the case may be, or by the Adviser. This Agreement shall immediately terminate in the event of its assignment, unless an order is issued by the Securities and Exchange Commission conditionally or unconditionally exempting such assignment from the provisions of Section 15(a) of the 1940 Act, in which event this Agreement shall remain in full force and effect subject to the terms and provisions of said order. In interpreting the provisions of this paragraph 7, the definitions contained in Section 2(a) of the 1940 Act and the applicable rules under the 1940 Act (particularly the definitions of "interested person", "assignment" and "vote of a majority of the outstanding voting securities") shall be applied.

The Adviser agrees to furnish to the Directors of the Fund such information on an annual basis as may reasonably be necessary to evaluate the terms of this Agreement.

Termination of this Agreement shall not affect the right of the Adviser to receive payments on any unpaid balance of the compensation described in paragraph 5 earned prior to such termination.

8. Non-Exclusive Services. The Adviser shall, during the term of this Agreement, be entitled to render investment advisory services to others, including, without limitation, other investment companies with similar objectives to those of the Fund's Portfolios. The Adviser may, when it deems such to be advisable, aggregate orders for its other customers together with any securities of the same type to be sold or purchased for the Fund's Portfolios in order to obtain best execution and lower brokerage commissions. In such event, the Adviser shall allocate the shares so purchased or sold, as well as the expenses incurred in the transaction, in the manner it considers to be most equitable and consistent with its

fiduciary obligations to the Fund's Portfolios and the Adviser's other customers.

9. Miscellaneous Provisions.

Notice. Any notice under this Agreement shall be in writing, addressed and delivered or mailed, postage prepaid, to the other party at such address as such other party may designate for the receipt of such notice.

Amendments Hereof. No provision of this Agreement may be orally changed or discharged, but may only be modified by an instrument in writing signed by the Fund and the Adviser. In addition, no amendment to this Agreement shall be effective unless approved by (1) the vote of a majority of the Directors of the Fund, including a majority of the Directors who are not parties to this Agreement or interested persons of any such party cast in person at a meeting called for the purpose of voting on such amendment, and (2) the vote of a majority of the outstanding voting securities of any of the Fund's Portfolios as to which such amendment is applicable (other than an amendment which can be effective without shareholder

approval under applicable law).

Severability. Each provision of this Agreement is intended to be severable. If any provision of this Agreement shall be held illegal or made invalid by a court decision, statute, rule or otherwise, such illegality or invalidity shall not affect the validity or enforceability of the remainder of this Agreement.

Headings. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the size, extent or intent of this Agreement or any provision hereof.

Applicable Law. This Agreement shall be construed in accordance with the laws of the State of Colorado. To the extent that the applicable laws of the State of Colorado, or any of the provisions herein, conflict with applicable provisions of the 1940 Act, the latter shall control.

IN WITNESS WHEREOF, the Adviser and the Fund each has caused this Agreement to be duly executed on its behalf by an officer thereunto duly authorized, on the date first above written.

INVESCO STRATEGIC PORTFOLIOS, INC.

ATTEST:

Glen A. Payne
Secretary

By: _____
Dan J. Hesser
President

INVESCO FUNDS GROUP, INC.

ATTEST:

Glen A. Payne
Secretary

By: _____
Dan J. Hesser
President

SUB-ADVISORY AGREEMENT

AGREEMENT made this 28th day of February, 1997, by and between INVESCO Funds Group, Inc. ("INVESCO"), a Delaware corporation, and INVESCO Trust Company, a Colorado corporation ("the Sub-Adviser").

W I T N E S S E T H:

WHEREAS, INVESCO STRATEGIC PORTFOLIOS, INC. (the "Fund") is engaged in business as a diversified, open-end management investment company registered under the Investment Company Act of 1940, as amended (hereinafter referred to as the "Investment Company Act") and currently has one class of shares which is divided into various series (the "Shares"), which may be divided into additional series, each representing an interest in a separate portfolio of investments (such series shall include the Energy Portfolio, Environmental Services Portfolio, Financial Services Portfolio, Gold Portfolio, Health Sciences Portfolio, Leisure Portfolio, Technology Portfolio, and Utilities Portfolio) (hereafter referred to as the "Portfolios"); and

WHEREAS, INVESCO and the Sub-Adviser are engaged principally in rendering investment advisory services and are registered as investment advisers under the Investment Advisers Act of 1940; and

WHEREAS, INVESCO has entered into an Investment Advisory Agreement with the Fund (the "INVESCO Investment Advisory Agreement"), pursuant to which INVESCO is required to provide investment and advisory services to the Fund's Portfolios, and, upon receipt of written approval of the Fund, is authorized to retain companies which are affiliated with INVESCO to provide such services; and

WHEREAS, the Sub-Adviser is willing to provide investment advisory services to the Fund's Portfolios on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained, INVESCO and the Sub-Adviser hereby agree as follows:

ARTICLE I

DUTIES OF THE SUB-ADVISER

INVESCO hereby employs the Sub-Adviser to act as investment adviser to the Fund and to furnish the investment advisory services described below, subject to the broad supervision of INVESCO and Board of Directors of the Fund, for the period and on the terms and conditions set forth in this Agreement. The Sub-Adviser hereby accepts such assignment and agrees during such period, at its own expense, to render such services and to assume the obligations herein set forth for the compensation provided for herein. The Sub-Adviser shall for all purposes herein be deemed to be independent contractors and shall, unless

otherwise expressly provided or authorized herein, shall have no authority to act for or represent the Fund in any way or otherwise be deemed an agent of the Fund.

The Sub-Adviser hereby agrees to manage the investment operations of the Fund's Portfolios, subject to the supervision of the Fund's directors (the "Directors") and INVESCO. Specifically, the Sub-Adviser agrees to perform the following services:

- (a) to manage the investment and reinvestment of all the assets, now or hereafter acquired, of the Fund's Portfolios, and to execute all purchases and sales of portfolios securities;
- (b) to maintain a continuous investment program for the Fund's Portfolios, consistent with (i) the Portfolios' investment policies as set forth in the Fund's Articles of Incorporation, Bylaws, and Registration Statement, as from time to time amended, under the Investment Company Act of 1940, as amended (the "1940 Act"), and in any prospectus and/or statement of additional information of the Fund, as from time to time amended and in use under the Securities Act of 1933, as amended, and (ii) the Fund's status as a regulated investment company under the Internal Revenue Code of 1986, as amended;
- (c) to determine what securities are to be purchased or sold for the Fund's Portfolios, unless otherwise directed by the Directors of the Fund or INVESCO, and to execute transactions accordingly;
- (d) to provide to the Fund's Portfolios the benefit of all of the investment analysis and research, the reviews of current economic conditions and of trends, and the consideration of long-range investment policy now or hereafter generally available to investment advisory customers of the Sub-Adviser;
- (e) to determine what portion of the Fund's Portfolios should be invested in the various types of securities authorized for purchase by the Portfolios; and
- (f) to make recommendations as to the manner in which voting rights, rights to consent to Fund action and any other rights pertaining to the Portfolios' securities shall be exercised.

With respect to execution of transactions for the Fund's Portfolios, the Sub-Adviser is authorized to employ such brokers or dealers as may, in the Sub-Adviser's best judgment, implement the policy of the Fund to obtain prompt and reliable execution at the most favorable price obtainable. In assigning an execution or negotiating the commission to be paid therefor, the Sub-Adviser is authorized to consider the full range and quality of a broker's services which benefit the Fund, including but not limited to research and analytical capabilities, reliability of performance, and financial soundness and responsibility. Research services prepared and furnished by brokers through which the Sub-Adviser effects securities transactions on behalf of the Fund may be used by the Sub-Adviser in servicing all of its accounts, and not all such services may be used by the Sub-Adviser in connection with the Fund. In the selection of a broker or dealer for execution of any negotiated transaction, the Sub-Adviser shall have no duty or obligation to seek advance competitive bidding

for the most favorable negotiated commission rate for such transaction, or to select any broker solely on the basis of its purported or "posted" commission rate for such transaction, provided, however, that the Sub-Adviser shall consider such "posted" commission rates, if any, together with any other information available at the time as to the level of commissions known to be charged on comparable transactions by other qualified brokerage firms, as well as all other relevant factors and circumstances, including the size of any contemporaneous market in such securities, the importance to the Fund of speed, efficiency, and confidentiality of execution, the execution capabilities required by the circumstances of the particular transactions, and the apparent knowledge or familiarity with sources from or to whom such securities may be purchased or sold. Where the commission rate reflects services, reliability and other relevant factors in addition to the cost of execution, the Sub-Adviser shall have the burden of demonstrating that such expenditures were bona fide and for the benefit of the Fund.

ARTICLE II

ALLOCATION OF CHARGES AND EXPENSES

The Sub-Adviser assumes and shall pay for maintaining the staff and personnel necessary to perform its obligations under this Agreement, and shall, at its own expense, provide the office space, equipment and facilities necessary to perform its obligations under this Agreement. Except to the extent expressly assumed by the Sub-Adviser herein and except to the extent required by law to be paid by the Sub-Adviser, INVESCO and/or the Fund shall pay all costs and expenses in connection with the operations of the Fund's Portfolios.

ARTICLE III

COMPENSATION OF THE SUB-ADVISER

For the services rendered, the facilities furnished and expenses assumed by the Sub-Adviser, INVESCO shall pay to the Sub-Adviser a fee, computed daily and paid as of the last day of each month, using for each daily calculation the most recently determined net asset value of the Fund's Portfolios, as determined by a valuation made in accordance with the Fund's procedures for calculating its net asset value as described in the Fund's Prospectus and/or Statement of Additional Information. The advisory fee to the Sub-Adviser shall be computed at the following annual rates: 0.25% of each Portfolio's daily net assets up to \$200 million, and 0.20% of each Portfolio's daily net assets in excess of \$200 million. During any period when the determination of the Portfolios' net asset value is suspended by the Directors of the Fund, the net asset value of a share of the Fund's Portfolios as of the last business day prior to such suspension shall, for the purpose of this Article III, be deemed to be the net asset value at the close of each succeeding business day until it is again determined. However, no such fee shall be paid to the Sub-Adviser with respect to any assets of the Fund which may be invested in any other investment company for which the Sub-Adviser serves as investment adviser or sub-adviser. The fee provided for hereunder shall be prorated in any month in which this Agreement is not in effect for the entire month. The Sub-Adviser shall be entitled to receive fees

hereunder only for such periods as the INVESCO Investment Advisory Agreement remains in effect.

ARTICLE IV

ACTIVITIES OF THE SUB-ADVISER

The services of the Sub-Adviser to the Fund are not to be deemed to be exclusive, the Sub-Adviser and any person controlled by or under common control with the Sub-Adviser (for purposes of this Article IV referred to as "affiliates") being free to render services to others. It is understood that directors, officers, employees and shareholders of the Fund are or may become interested in the Sub-Adviser and its affiliates, as directors, officers, employees and shareholders or otherwise and that directors, officers, employees and shareholders of the Sub-Adviser, INVESCO and their affiliates are or may become interested in the Fund as directors, officers and employees.

ARTICLE V

AVOIDANCE OF INCONSISTENT POSITIONS AND COMPLIANCE WITH APPLICABLE LAWS

In connection with purchases or sales of securities for the investment portfolio of the Fund's Portfolios, neither the Sub-Adviser nor any of its directors, officers or employees will act as a principal or agent for any party other than the Fund's Portfolios or receive any commissions. The Sub-Adviser will comply with all applicable laws in acting hereunder including, without limitation, the 1940 Act; the Investment Advisers Act of 1940, as amended; and all rules and regulations duly promulgated under the foregoing.

ARTICLE VI

DURATION AND TERMINATION OF THIS AGREEMENT

This Agreement shall become effective as of the date it is approved by a majority of the outstanding voting securities of the Fund's Portfolios, and shall remain in force for an initial term of two years from the date of execution, and from year to year thereafter until its termination in accordance with this Article VI, but only so long as such continuance is specifically approved at least annually by (i) the Directors of the Fund, or by the vote of a majority of the outstanding voting securities of the Fund's Portfolios, and (ii) a majority of those Directors who are not parties to this Agreement or interested persons of any such party cast in person at a meeting called for the purpose of voting on such approval.

This Agreement may be terminated at any time, without the payment of any penalty, by INVESCO, the Fund by vote of the Directors of the Fund, or by vote of a majority of the outstanding voting securities of the Fund's Portfolios, or by the Sub-Adviser. A termination by INVESCO or the Sub-Adviser shall require sixty days' written notice to the other party and to the Fund, and a termination by the Fund shall require such notice to each of the parties. This Agreement shall automatically terminate in the event of its assignment to the extent required by the Investment Company Act of 1940 and the Rules thereunder.

The Sub-Adviser agrees to furnish to the Directors of the Fund such information on an annual basis as may reasonably be necessary to evaluate the terms of this Agreement.

Termination of this Agreement shall not affect the right of the Sub-Adviser to receive payments on any unpaid balance of the compensation described in Article III hereof earned prior to such termination.

ARTICLE VII

AMENDMENTS OF THIS AGREEMENT

No provision of this Agreement may be orally changed or discharged, but may only be modified by an instrument in writing signed by the Sub-Adviser and INVESCO. In addition, no amendment to this Agreement shall be effective unless approved by (1) the vote of a majority of the Directors of the Fund, including a majority of the Directors who are not parties to this Agreement or interested persons of any such party cast in person at a meeting called for the purpose of voting on such amendment and (2) the vote of a majority of the outstanding voting securities of any of the Fund's Portfolios as to which such amendment is applicable (other than an amendment which can be effective without shareholder approval under applicable law).

ARTICLE VIII

DEFINITIONS OF CERTAIN TERMS

In interpreting the provisions of this Agreement, the terms "vote of a majority of the outstanding voting securities," "assignments," "affiliated person" and "interested person," when used in this Agreement, shall have the respective meanings specified in the Investment Company Act and the Rules and Regulations thereunder, subject, however, to such exemptions as may be granted by the Securities and Exchange Commission under said Act.

ARTICLE IX

GOVERNING LAW

This Agreement shall be construed in accordance with the laws of the State of Colorado and the applicable provisions of the Investment Company Act. To the extent that the applicable laws of the State of Colorado, or any of the provisions herein, conflict with the applicable provisions of the Investment Company Act, the latter shall control.

ARTICLE X

MISCELLANEOUS

Notice. Any notice under this Agreement shall be in writing, addressed and delivered or mailed, postage prepaid, to the other party at such address as such other party may designate for the receipt of such notice.

Severability. Each provision of this Agreement is intended to be severable. If any provision of this Agreement shall be held illegal or made invalid by a court decision, statute, rule or otherwise, such illegality or invalidity shall not affect the validity or enforceability of the remainder of

this Agreement.

Headings. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the size, extent or intent of this Agreement or any provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first above written.

INVESCO TRUST COMPANY

ATTEST:

Glen A. Payne
Secretary

By: _____
R. Dalton Sim
President

INVESCO FUNDS GROUP, INC.

ATTEST:

Glen A. Payne
Secretary

By: _____
Dan J. Hesser
President

GENERAL DISTRIBUTION CONTRACT

THIS CONTRACT is made and entered into this ___ day of _____, 1997, by and between INVESCO Strategic Portfolios, Inc., a Maryland Corporation, hereinafter called the Company) and INVESCO Funds Group, INC., a Delaware corporation (hereinafter called "IFG"):

WITNESSETH:

1. Distribution of Fund Shares

Company hereby grants IFG the exclusive right to distribute and promote the sale of the capital stock of the Company (shares) in all jurisdictions and localities where the offering thereof is legally qualified, and IFG hereby agrees to act as such exclusive selling agent, subject to the terms and conditions herein contained.

2. Terms and Conditions of Sales

A. Shares shall be offered at the net asset value thereof, as defined in the bylaws of the Company, and no sales charge or commission shall be imposed on the sale of shares to any person.

B. No shares shall be offered for sale until and unless there shall have been delivered to the purchaser a currently effective prospectus covering the same filed under the Securities Act of 1933 and qualified for use in each state, territorial, or foreign jurisdiction in which the offering is made.

3. Duties of Distributor and Assumption of Expenses by Distributor

A. IFG shall use its best efforts to promote maximum distribution of shares by direct selling methods, which may include use of the mails, telephone, and such other means, including personal solicitation, as IFG in its sole discretion may deem advisable. IFG shall train and supervise all personnel engaged in this direct selling effort, provided, however, that nothing herein shall be construed to impose upon IFG any duty to maintain sales representatives in the field, or to engage any subdistributor or agent, or to employ any person or incur any expense not reasonably required by or attributable to direct selling activities administered by IFG.

B. IFG shall prepare and provide necessary copies of all sales literature, including prospectuses covering said securities, subject to the Company's approval thereof, and shall bear all costs incident to the distribution and sale of shares by the direct selling methods herein provided.

C. Company agrees to make available to IFG such information, books and records relating to the business of the Company as IFG may from time to time reasonably request in connection with the services rendered by IFG hereunder.

4. Duration and Termination of Contract

A. This contract, having been approved by vote of a majority of the directors of the Company (including a majority of the directors of the Company who are not interested persons of any party to the agreement within the purview of Section 15(c) of the Investment Company Act of 1940, as amended), shall continue in effect unless sooner terminated as hereinafter provided for an initial term of two years and from year to year thereafter as long as such continuance is specifically approved at least annually by the board of directors of the Company or by vote of a majority of the outstanding voting securities of the Company, and, in addition, the terms of the contract and any renewal thereof shall have been approved by a vote of a majority of the directors who are not parties to the contract or interested persons of any such party cast in person at a meeting called for the purpose of voting on such approval.

B. If this contract is assigned (as defined in Section 2(a)(4) of the Investment Company Act of 1940), it shall automatically terminate forthwith.

C. Either IFG or the Company shall have the right to terminate this contract without the payment of any penalty, upon sixty (60) days notice to the other.

5. Miscellaneous

A. Nothing herein shall be construed to prohibit IFG from engaging in other related or unrelated businesses.

B. Nothing herein shall be construed to impose upon IFG any duty or expense in connection with the services of any registrar, transfer agent or custodian appointed by the Company, the computation of the asset value or offering price of shares, the preparation and distribution of notices of meetings, proxy soliciting material, annual and periodic reports, dividends and dividend notices, or any other corporate responsibility of the Company.

IN WITNESS WHEREOF, the parties hereto have executed the foregoing contract on the date first above written.

INVESCO STRATEGIC PORTFOLIOS, INC.

By: _____
Dan J. Hesser, President

ATTEST:

Glen A. Payne, Secretary

INVESCO FUNDS GROUP, INC.

By: _____
Ronald L. Grooms
Senior Vice President

ATTEST:

Glen A. Payne, Secretary

DEFINED BENEFIT DEFERRED COMPENSATION PLAN
FOR NON-INTERESTED DIRECTORS AND TRUSTEES

The registered, open-end management investment companies referred to on Schedule A as the Schedule may hereafter be revised by the addition and deletion of investment companies (the "Funds") have adopted this Defined Benefit Deferred Compensation Plan ("Plan") for the benefit of those directors and trustees of the Funds who are not interested directors or trustees thereof as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended ("Independent Directors").

The Plan has been adopted as an alternative to providing an increase in the present compensation payable to each Fund's Independent Directors for serving in such capacity. The increase in present compensation was considered by all directors of each Fund and was determined to be reasonable in relation to the services which are currently being performed by the Independent Directors and the responsibilities and obligations which are imposed upon the directors in the performance of such services.

1. Eligibility

Each Independent Director who has served as such ("Eligible Service") on the boards of any of the Funds and their predecessor and successor entities, if any, or as an Independent Director of the now-defunct investment management company known as FG Series for an aggregate of at least five years at the time of his Service Termination Date (as defined in paragraph 2) will be entitled to receive benefits under the Plan. An Independent Director's period of Eligible Service commences on the date of election to the board of directors or trustees of any one or more of the Funds ("Board"). Hereafter, references in this Plan to Independent Directors shall be deemed to include only those Directors who have met the Eligible Service requirement for Plan participation.

2. Service Termination and Service Termination Date

Service Termination includes termination of service (other than by disability or death) of an Independent Director which results from the Director's having reached his Service Termination Date, which is the date not later than the last day of the calendar quarter in which such Director's seventy-second birthday occurs.

3. Defined Benefit

Commencing as of his Service Termination Date, each Independent Director will receive, for the remainder of his life, a benefit (the "Benefit"), payable quarterly, at an annual rate equal to 25 percent of the annual basic retainer payable by each Fund to the Independent Director on his Service Termination Date (excluding any fees relating to attending meetings or chairing committees). If

an Independent Director should die after his Service Termination Date and before forty quarterly payments are made, payments will continue to be made to the Independent Director's designated beneficiary until the aggregate of forty quarterly payments has been made to the Independent Director and the Director's beneficiary.

If an Independent Director's service as a Director is terminated because of his death prior to the occurrence of his Service Termination Date, the designated beneficiary of the Independent Director shall receive the Benefit for a period of ten years, with quarterly payments to be made to the designated beneficiary.

If an Independent Director's service as a Director is terminated because of his disability prior to the occurrence of his Service Termination Date, the Independent Director will receive the Benefit for the remainder of his life, with quarterly payments to be made to the disabled Independent Director. If the disabled Independent Director should die before forty quarterly payments are made, payments will continue to be made to the Independent Director's designated beneficiary until the aggregate of forty quarterly payments has been made to the disabled Independent Director and the Director's beneficiary.

If the Independent Director and his designated beneficiary should die before a total of forty quarterly payments are made, the remaining value of the Independent Director's benefit shall be determined as of the date of the death of the Independent Director's designated beneficiary and shall be paid to the estate of the designated beneficiary in one lump sum or in periodic payments, with the determinations with respect to the value of the benefit and the method and frequency of payment to be made by the Committee (as defined in paragraph 8.a.) in its sole discretion.

4. Designated Beneficiary

The beneficiary referred to in paragraph 3 may be designated or changed by the Independent Director without the consent of any prior beneficiary on a form provided by the Committee (as defined in paragraph 8.a.) and delivered to the Committee before the Independent Director's death. If no such beneficiary shall have been designated, or if no designated beneficiary shall survive the Independent Director, the value or remaining value of the Independent Director's benefit shall be determined as of the date of the death of the Independent Director and shall be paid as promptly as possible in one lump sum to the estate of the designated beneficiary.

5. Disability

An Independent Director shall be deemed to have become disabled for the purposes of paragraph 3 if the Committee shall find on the basis of medical evidence satisfactory to it that the Independent Director is disabled, mentally or physically, as a result of an accident or illness, so as to be prevented from performing each of the duties which are incumbent upon an Independent Director in fulfilling his responsibilities as such.

6. Time of Payment

The Benefit for each year will be paid in quarterly installments that are as nearly equal as possible.

7. Payment of Benefit; Allocation of Costs

Each Fund is responsible for the payment of the amount of the Benefit applicable to the Fund, as well as its proportionate share of all expenses of administration of the Plan, including without limitation all accounting and legal fees and expenses and fees and expenses of any Actuary. The obligations of each Fund to pay such Benefits and expenses will not be secured or funded in any manner, and such obligations will not have any preference over the lawful claims of each Fund's creditors and shareholders. To the extent that the Benefit is paid by more than one Fund, such costs and expenses will be allocated among such Funds in a manner that is determined by the Committee to be fair and equitable under the circumstances. To the extent that one or more of such Funds consist of one or more separate portfolios, such costs and expenses allocated to any such Fund will thereafter be allocated among such portfolios by the Board of the Fund in a manner that is determined by such Board to be fair and equitable under the circumstances.

8. Administration

a. The Committee. Any questions involving entitlement to payments under or the administration of the Plan will be referred to a committee (the "Committee") of three Independent Directors designated by all of the Independent Directors of the Funds. Except as otherwise provided herein, the Committee will make all interpretations and determinations necessary or desirable for the Plan's administration, and such interpretations and determinations will be final and conclusive. Committee members will be elected annually by the Independent Directors.

b. Powers of the Committee. The Committee will represent and act on behalf of the Funds in respect of the Plan and, subject to the other provisions of the Plan, the Committee may adopt, amend or repeal bylaws or other

regulations relating to the administration of the Plan, the conduct of the Committee's affairs, its rights or powers, or the rights or powers of its

members. The Committee will report to the Independent Directors and to the Boards of the Funds from time to time on its activities in respect of the Plan. The Committee or persons designated by it will cause such records to be kept as may be necessary for the administration of the Plan.

9. Miscellaneous Provisions

a. Rights Not Assignable. Other than as is specifically provided in paragraph 3, the right to receive any payment under the Plan is not transferable or assignable, and nothing in the Plan shall create any benefit, cause of action, right of sale, transfer, assignment, pledge, encumbrance, or other such right in any heirs or the estate of any Independent Director.

b. Amendment, etc. The Committee, with the concurrence of the Board of any Fund, may as to the specific Fund at any time amend or terminate the Plan or waive any provision of the Plan; provided, however, that subject to the limitations imposed by paragraph 7, no amendment, termination or waiver will impair the rights of an Independent Director to receive the payments which would have been made to such Independent Director had there been no such amendment, termination, or waiver.

c. No Right to Reelection. Nothing in the Plan will create any obligation on the part of the Board of any Fund to nominate any Independent Director for reelection.

d. Consulting. Subsequent to his Service Termination Date, an Independent Director may render such services for any Fund, for such compensation, as may be agreed upon from time to time by such Independent Director and the Board of the Fund which desires to procure such services.

e. Effectiveness. The Plan will be effective for all Independent Directors who have Service Termination Dates occurring on and after October 20, 1993. Periods of Eligible Service shall include periods commencing prior and subsequent to such date. Upon its adoption by the Board of a Fund, the Plan will become effective as to that Fund on the date when the Committee determines that any regulatory approval or advice that may be necessary or appropriate in connection with the Plan have been obtained.

Adopted October 20, 1993.

AMENDMENT TO CUSTODIAN CONTRACT

Agreement made by and between State Street Bank and Trust Company (the "Custodian") and INVESCO Strategic Portfolios, Inc. (the "Fund").

WHEREAS, the Custodian and the Fund are parties to a custodian contract dated January 10, 1984 (the "Custodian Contract") governing the terms and conditions under which the Custodian maintains custody of the securities and other assets of the Fund; and

WHEREAS, the Custodian and the Fund desire to amend the terms and conditions under which the Custodian maintains the Fund's securities and other non-cash property in the custody of certain foreign sub-custodians in conformity with the requirements of Rule 17f-5 under the Investment Company Act of 1940, as amended;

NOW THEREFORE, in consideration of the premises and covenants contained herein, the Custodian and the Fund hereby amend the Custodian Contract by the addition of the following terms and provisions;

1. Notwithstanding any provisions to the contrary set forth in the Custodian Contract, the Custodian may hold securities and other non-cash property for all of its customers, including the Fund, with a foreign sub-custodian in a single account that is identified as belonging to the Custodian for the benefit of its customers, provided however, that (i) the records of the Custodian with respect to securities and other non-cash property of the Fund which are maintained in such account shall identify by bookentry those securities and other non-cash property belonging to the Fund and (ii) the Custodian shall require that securities and other non-cash property so held by the foreign sub-custodian be held separately from any assets of the foreign sub-custodian or of others.

2. Except as specifically superseded or modified herein, the terms and provisions of the Custodian Contract shall continue to apply with full force and effect.

IN WITNESS WHEREOF, each of the parties has caused this instrument to be executed as a sealed instrument in its name and behalf by its duly authorized representative this 25th day of October, 1995.

INVESCO STRATEGIC PORTFOLIOS, INC.

By: /s/ Glen A. Payne

Title: Secretary

STATE STREET BANK AND TRUST COMPANY

By: /s/ Charles R. Whittemore, Jr.

Title: Vice President

TRANSFER AGENCY AGREEMENT

AGREEMENT made as of this _____ day of _____, 1997, between INVESCO Strategic Portfolios, Inc., a Maryland corporation, having its principal office and place of business at 7800 East Union Avenue, Denver, Colorado, 80237 (hereinafter referred to as the "Fund") and INVESCO Funds Group, Inc., a Delaware corporation, having its principal place of business at 7800 E. Union Avenue, Denver, CO 80237 (hereinafter referred to as the "Transfer Agent").

WITNESSETH:

That for and in consideration of mutual promises hereinafter set forth, the Fund and the Transfer Agent agree as follows:

1. Definitions. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:
 - (a) "Authorized Person" shall be deemed to include the President, any Vice President, the Secretary, Treasurer, or any other person, whether or not any such person is an officer or employee of the Fund, duly authorized to give Oral Instructions and Written Instructions on behalf of the Fund as indicated in a certification as may be received by the Transfer Agent from time to time;
 - (b) "Certificate" shall mean any notice, instruction or other instrument in writing, authorized or required by this Agreement to be given to the Transfer Agent, which is actually received by the Transfer Agent and signed on behalf of the Fund by any two officers thereof;
 - (c) "Commission" shall have the meaning given it in the 1940 Act;
 - (d) "Custodian" refers to the custodian of all of the securities and other moneys owned by the Fund;
 - (e) "Oral Instructions" shall mean verbal instructions actually received by the Transfer Agent from a person reasonably believed by the Transfer Agent to be an Authorized Person;
 - (f) "Prospectus" shall mean the currently effective prospectus relating to the Fund's Shares registered under the Securities Act of 1933;
 - (g) "Shares" refers to the shares of common stock, \$.01 par value, of the Fund;

- (h) "Shareholder" means a record owner of Shares;
- (i) "Written Instructions" shall mean a written communication actually received by the Transfer Agent where the receiver is able to verify with a reasonable degree of certainty the authenticity of the sender of such communication; and
- (j) The "1940 Act" refers to the Investment Company Act of 1940 and the Rules and Regulations thereunder, all as amended from time to time.

2. Representation of Transfer Agent. The Transfer Agent does hereby represent and warrant to the Fund that it has an effective registration statement on SEC Form TA-1 and, accordingly, has duly registered as a transfer agent as provided in Section 17A(c) of the Securities Exchange Act of 1934.

3. Appointment of the Transfer Agent. The Fund hereby appoints and constitutes the Transfer Agent as transfer agent for all of the Shares of the Fund authorized as of the date hereof, and the Transfer Agent accepts such appointment and agrees to perform the duties herein set forth. If the board of directors of the Fund hereafter reclassifies the Shares, by the creation of one or more additional series or otherwise, the Transfer Agent agrees that it will act as transfer agent for the Shares so reclassified on the terms set forth herein.

4. Compensation.

(a) The Fund will initially compensate the Transfer Agent for its services rendered under this Agreement in accordance with the fees set forth in the Fee Schedule annexed hereto and incorporated herein.

(b) The parties hereto will agree upon the compensation for acting as transfer agent for any series of Shares hereafter designated and established at the time that the Transfer Agent commences serving as such for said series, and such agreement shall be reflected in a Fee Schedule for that series, dated and signed by an authorized officer of each party hereto, to be attached to this Agreement.

(c) Any compensation agreed to hereunder may be adjusted from time

to time by attaching to this Agreement a revised Fee Schedule, dated and signed by an authorized officer of each party hereto, and a certified copy of the resolution of the board of directors of the Fund authorizing such revised Fee Schedule.

(d) The Transfer Agent will bill the Fund as soon as practicable after the end of each calendar month, and said billings will be detailed in accordance with the Fee Schedule for the Fund. The Fund will promptly pay to the Transfer Agent the amount of such billing.

5. Documents. In connection with the appointment of the Transfer Agent, the Fund shall, on or before the date this Agreement goes into effect, file with the Transfer Agent the following documents:

(a) A certified copy of the Articles of Incorporation of the Fund, including all amendments thereto, as then in effect;

(b) A certified copy of the Bylaws of the Fund, as then in effect;

(c) Certified copies of the resolutions of the board of directors authorizing this Agreement and designating Authorized Persons to give instructions to the Transfer Agent;

(d) A specimen of the certificate for Shares of the Fund in the form approved by the board of directors, with a certificate of the Secretary of the Fund as to such approval;

(e) All account application forms and other documents relating to Shareholder accounts;

(f) A certified list of Shareholders of the Fund with the name, address and tax identification number of each Shareholder, and the number of Shares held by each, certificate numbers and denominations (if any certificates have been issued), lists of any accounts against which stops have been placed, together with the reasons for said stops, and the number of Shares redeemed by the Fund;

(g) Copies of all agreements then in effect between the Fund and any agent with respect to the issuance, sale, or cancellation of Shares; and

(h) An opinion of counsel for the Fund with respect to the validity of the Shares.

6. Further Documentation. The Fund will also furnish from time to time the following documents:

- (a) Each resolution of the board of directors authorizing the original issue of Shares;
- (b) Each Registration Statement filed with the Commission, and amendments and orders with respect thereto, in effect with respect to the sale of Shares of the Fund;
- (c) A certified copy of each amendment to the Articles of Incorporation and the Bylaws of the Fund;
- (d) Certified copies of each resolution of the board of directors designating Authorized Persons to give instructions to the Transfer Agent;
- (e) Certificates as to any change in any officer, director, or Authorized Person of the Fund;
- (f) Specimens of all new certificates for Shares accompanied by the Fund's resolutions of the board of directors approving such forms; and
- (g) Such other certificates, documents or opinions as may mutually be deemed necessary or appropriate for the Transfer Agent in the proper performance of its duties.

7. Certificates for Shares and Records Pertaining Thereto.

- (a) At the expense of the Fund, the Transfer Agent shall maintain an adequate supply of blank share certificates to meet the Transfer Agent's requirements therefor. Such share certificates shall be properly signed by facsimile. The Fund agrees that, notwithstanding the death, resignation, or removal of any officer of the Fund whose signature appears on such certificates, the Transfer Agent may continue to countersign certificates which bear such signatures until otherwise directed by the Fund.
- (b) The Transfer Agent agrees to prepare, issue and mail certificates as requested by the Shareholders for Shares of the Fund in accordance with the instructions of the Fund and

to confirm such issuance to the Shareholder and the Fund or its designee.

- (c) The Fund hereby authorizes the Transfer Agent to issue replacement share certificates in lieu of certificates which have been lost, stolen or destroyed, without any further action by the board of directors or any officer of the Fund, upon receipt by the Transfer Agent of properly executed affidavits or lost certificate bonds, in form satisfactory to the Transfer Agent, with the Fund and the Transfer Agent as obligees under any such bond.
- (d) The Transfer Agent shall also maintain a record of each certificate issued, the number of Shares represented thereby and the holder of record. The Transfer Agent shall further maintain a stop transfer record on lost and/or replaced certificates.
- (e) The Transfer Agent may establish such additional rules and regulations governing the transfer or registration of certificates for Shares as it may deem advisable and consistent with such rules and regulations generally adopted by transfer agents.

8. Sale of Fund Shares.

- (a) Whenever the Fund or its authorized agent shall sell or cause to be sold any Shares, the Fund or its authorized agent shall provide or cause to be provided to the Transfer Agent information including: (i) the number of Shares sold, trade date, and price; (ii) the amount of money to be delivered to the Custodian for the sale of such Shares; (iii) in the case of a new account, a new account application or sufficient information to establish an account.
- (b) The Transfer Agent will, upon receipt by it of a check or other payment identified by it as an investment in Shares of the Fund and drawn or endorsed to the Transfer Agent as agent for, or identified as being for the account of, the Fund, promptly deposit such check or other payment to the appropriate account postings necessary to reflect the investment. The Transfer Agent will notify the Fund, or its designee, and the Custodian of all purchases and related account adjustments.
- (c) Upon receipt of the notification required under paragraph (a) hereof and the notification from the Custodian that such money has been received by it, the Transfer Agent shall issue to the

purchaser or his authorized agent such Shares as he is entitled to receive, based on the appropriate net asset value of the Fund's Shares, determined in accordance with applicable federal law or regulation, as described in the Prospectus for the Fund. In issuing Shares to a purchaser or his authorized agent, the Transfer Agent shall be entitled to rely upon the latest written directions, if any, previously received by the Transfer Agent from the purchaser or his authorized agent concerning the delivery of such Shares.

- (d) The Transfer Agent shall not be required to issue any Shares of the Fund where it has received Written Instructions from the Fund or written notification from any appropriate federal or state authority that the sale of the Shares of the Fund has

been suspended or discontinued, and the Transfer Agent shall be entitled to rely upon such Written Instructions or written notification.

- (e) Upon the issuance of any Shares of the Fund in accordance with the foregoing provision of this Article, the Transfer Agent shall not be responsible for the payment of any original issue or other taxes required to be paid by the Fund in connection with such issuance.

9. Returned Checks. In the event that any check or other order for the payment of money is returned unpaid for any reason, the Transfer Agent will: (i) give prompt notice of such return to the Fund or its designee; (ii) place a stop transfer order against all Shares issued or held on deposit as a result of such check or order; (iii) in the case of any Shareholder who has obtained redemption checks, place a stop payment order on the checking account on which such checks are issued; and (iv) take such other steps as the Transfer Agent may, in its discretion, deem appropriate or as the Fund or its designee may instruct.

10. Redemptions.

- (a) Redemptions By Mail or In Person. Shares of the Fund will be redeemed upon receipt by the Transfer Agent of: (i) a written request for redemption, signed by each registered owner exactly as the Shares are registered; (ii) certificates properly endorsed for any Shares for which certificates have been issued; (iii) signature guarantees to the extent required by the Transfer Agent as described in the Prospectus for the

Fund; and (iv) any additional documents required by the Transfer Agent for redemption by corporations, executors, administrators, trustees and guardians.

- (b) Wire Orders or Telephone Redemptions. The Transfer Agent will, consistent with procedures which may be established by the Fund from time to time for redemption by wire or telephone, upon receipt of such a wire order or telephone redemption request, redeem Shares and transmit the proceeds of such redemption to the redeeming Shareholder as directed. All wire or telephone redemptions will be subject to such additional requirements as may be described in the Prospectus for the Fund. Both the Fund and the Transfer Agent reserve the right to modify or terminate the procedures for wire order or telephone redemptions at any time.
- (c) Processing Redemptions. Upon receipt of all necessary information and documentation relating to a redemption, the Transfer Agent will issue to the Custodian an advice setting forth the number of Shares of the Fund received by the Transfer Agent for redemption and that such shares are valid and in good form for redemption. The Transfer Agent shall, upon receipt of the moneys paid to it by the Custodian for the redemption of Shares, pay such moneys to the Shareholder, his authorized agent or legal representative.

11. Transfers and Exchanges. The Transfer Agent is authorized to review and process transfers of Shares of the Fund and to the extent, if any, permitted in the Prospectus for the Fund, exchanges between the Fund and other mutual funds advised by INVESCO Funds Group, Inc., on the records of the Fund maintained by the Transfer Agent. If Shares to be transferred are represented by outstanding certificates, the

Transfer Agent will, upon surrender to it of the certificates in proper form for transfer, and upon cancellation thereof, countersign and issue new certificates for a like number of Shares and deliver the same. If the Shares to be transferred are not represented by outstanding certificates, the Transfer Agent will, upon an order therefor by or on behalf of the registered holder thereof in proper form, credit the same to the transferee on its books. If Shares are to be exchanged for Shares of another mutual fund, the Transfer Agent will process such exchange in the same manner as a redemption and sale of Shares, except that it may in its discretion waive requirements for information and documentation.

12. Right to Seek Assurances. The Transfer Agent reserves the right to refuse to transfer or redeem Shares until it is satisfied that the requested transfer or redemption is legally authorized, and it shall incur no liability for the refusal, in good faith, to make transfers or redemptions which the Transfer Agent, in its judgment, deems improper or unauthorized, or until it is satisfied that there is no basis for any claims adverse to such transfer or redemption. The Transfer Agent may, in effecting transfers, rely upon the provisions of the Uniform Act for the Simplification of Fiduciary Security Transfers or the Uniform Commercial Code, as the same may be amended from time to time, which in the opinion of legal counsel for the Fund or of its own legal counsel protect it in not requiring certain documents in connection with the transfer or redemption of Shares of the Fund, and the Fund shall indemnify the Transfer Agent for any act done or omitted by it in reliance upon such laws or opinions of counsel to the Fund or of its own counsel.

13. Distributions.

- (a) The Fund will promptly notify the Transfer Agent of the declaration of any dividend or distribution. The Fund shall furnish to the Transfer Agent a resolution of the board of directors of the Fund certified by the Secretary authorizing the declaration of dividends and authorizing the Transfer Agent to rely on Oral Instructions or a Certificate specifying the date of the declaration of such dividend or distribution, the date of payment thereof, the record date as of which Shareholders entitled to payment shall be determined, the amount payable per share to Shareholders of record as of that date, and the total amount payable to the Transfer Agent on the payment date.
- (b) The Transfer Agent will, on or before the payable date of any dividend or distribution, notify the Custodian of the estimated amount of cash required to pay said dividend or distribution, and the Fund agrees that, on or before the mailing date of such dividend or distribution, it shall instruct the Custodian to place in a dividend disbursing account funds equal to the cash amount to be paid out. The Transfer Agent, in accordance with Shareholder instructions, will calculate, prepare and mail checks to, or (where appropriate) credit such dividend or distribution to the account of, Fund Shareholders, and maintain and safeguard all underlying records.
- (c) The Transfer Agent will replace lost checks upon receipt of properly executed affidavits and maintain stop payment orders against replaced checks.

- (d) The Transfer Agent will maintain all records necessary to reflect the crediting of dividends which are reinvested in Shares of the Fund.
- (e) The Transfer Agent shall not be liable for any improper payments made in accordance with the resolution of the board of directors of the Fund.
- (f) If the Transfer Agent shall not receive from the Custodian sufficient cash to make payment to all Shareholders of the Fund as of the record date, the Transfer Agent shall, upon notifying the Fund, withhold payment to all Shareholders of record as of the record date until such sufficient cash is provided to the Transfer Agent.

14. Other Duties. In addition to the duties expressly provided for herein, the Transfer Agent shall perform such other duties and functions as are set forth in the Fee Schedules(s) hereto from time to time.

15. Taxes. It is understood that the Transfer Agent shall file such appropriate information returns concerning the payment of dividends and capital gain distributions with the proper federal, state and local authorities as are required by law to be filed by the Fund and shall withhold such sums as are required to be withheld by applicable law.

16. Books and Records.

- (a) The Transfer Agent shall maintain records showing for each investor's account the following: (i) names, addresses, tax identifying numbers and assigned account numbers; (ii) numbers of Shares held; (iii) historical information regarding the account of each Shareholder, including dividends paid and date and price of all transactions on a Shareholder's account; (iv) any stop or restraining order placed against a Shareholder's account; (v) information with respect to withholdings in the case of a foreign account; (vi) any capital gain or dividend reinvestment order, plan application, dividend address and correspondence relating to the current maintenance of a Shareholder's account; (vii) certificate numbers and denominations for any Shareholders holding certificates; and (viii) any information required in order for the Transfer Agent to perform the calculations contemplated or required by this Agreement.

- (b) Any records required to be maintained by Rule 31a-1 under the 1940 Act will be preserved for the periods prescribed in Rule 31a-2 under the 1940 Act. Such records may be inspected by the Fund at reasonable times. The Transfer Agent may, at its option at any time, and shall forthwith upon the Fund's demand, turn over to the Fund and cease to retain in the Transfer Agent's files, records and documents created and maintained by the Transfer Agent in performance of its services or for its protection. At the end of the six-year retention period, such records and documents will either be turned over to the Fund, or destroyed in accordance with the Fund's authorization.

17. Shareholder Relations.

- (a) The Transfer Agent will investigate all Shareholder inquiries related to Shareholder accounts and respond promptly to correspondence from Shareholders.
- (b) The Transfer Agent will address and mail all communications to Shareholders or their nominees, including proxy material and periodic reports to Shareholders.
- (c) In connection with special and annual meetings of Shareholders, the Transfer Agent will prepare Shareholder lists, mail and certify as to the mailing of proxy materials, process and tabulate returned proxy cards, report on proxies voted prior to meetings, and certify to the Secretary of the Fund Shares to be voted at meetings.

18. Reliance by Transfer Agent; Instructions.

- (a) The Transfer Agent shall be protected in acting upon any paper or document believed by it to be genuine and to have been signed by an Authorized Person and shall not be held to have any notice of any change of authority of any person until receipt of written certification thereof from the Fund. It shall also be protected in processing Share certificates which it reasonably believes to bear the proper manual or facsimile signatures of the officers of the Fund and the proper

countersignature of the Transfer Agent.

- (b) At any time the Transfer Agent may apply to any Authorized Person of the Fund for Written Instructions, and, at the expense of the Fund, may seek advice from legal counsel for the Fund, with respect to any matter arising in connection with this Agreement, and it shall not be liable for any action taken or not taken or suffered by it in good faith in accordance with such Written Instructions or with the opinion of such counsel. In addition, the Transfer Agent, its officers, agents or employees, shall accept instructions or requests given to them by any person representing or acting on behalf of the Fund only if said representative is known by the Transfer Agent, its officers, agents or employees, to be an Authorized Person. The Transfer Agent shall have no duty or obligation to inquire into, nor shall the Transfer Agent be responsible for, the legality of any act done by it upon the request or direction of Authorized Persons of the Fund.
- (c) Notwithstanding any of the foregoing provisions of this Agreement, the Transfer Agent shall be under no duty or obligation to inquire into, and shall not be liable for: (i) the legality of the issue or sale of any Shares of the Fund, or the sufficiency of the amount to be received therefor; (ii) the legality of the redemption of any Shares of the Fund, or the propriety of the amount to be paid therefor; (iii) the

legality of the declaration of any dividend by the Fund, or the legality of the issue of any Shares of the Fund in payment of any stock dividend; or (iv) the legality of any recapitalization or readjustment of the Shares of the Fund.

19. Standard of Care and Indemnification.

- (a) The Transfer Agent may, in connection with this Agreement, employ agents or attorneys in fact, and shall not be liable for any loss arising out of or in connection with its actions under this Agreement so long as it acts in good faith and with due diligence, and is not negligent or guilty of any willful misconduct.
- (b) The Fund hereby agrees to indemnify and hold harmless the Transfer Agent from and against any and all claims, demands, expenses and liabilities (whether with or without basis in fact or law) of any and every nature which the Transfer Agent may sustain or incur or which may be asserted against the Transfer Agent by any person by reason of, or as a result of:

(i) any action taken or omitted to be taken by the Transfer Agent in good faith in reliance upon any Certificate, instrument, order or stock certificate believed by it to be genuine and to be signed, countersigned or executed by any duly Authorized Person, upon the Oral Instructions or Written Instructions of an Authorized Person of the Fund or upon the opinion of legal counsel for the Fund or its own counsel; or (ii) any action taken or omitted to be taken by the Transfer Agent in connection with its appointment in good faith in reliance upon any law, act, regulation or interpretation of the same even though the same may thereafter have been altered, changed, amended or repealed. However, indemnification hereunder shall not apply to actions or omissions of the Transfer Agent or its directors, officers, employees or agents in cases of its own gross negligence, willful misconduct, bad faith, or reckless disregard of its or their own duties hereunder.

20. Affiliation Between Fund and Transfer Agent. It is understood that the directors, officers, employees, agents and Shareholders of the Fund, and the officers, directors, employees, agents and shareholders of the Fund's investment adviser, INVESCO Funds Group, Inc. (the "Adviser"), are or may be interested in the Transfer Agent as directors, officers, employees, agents, shareholders, or otherwise, and that the directors, officers, employees, agents or shareholders of the Transfer Agent may be interested in the Fund as directors, officers, employees, agents, shareholders, or otherwise, or in the Adviser as officers, directors, employees, agents, shareholders or otherwise.

21. Term.

(a) This Agreement shall become effective on _____, 1997 after approval by vote of a majority (as defined in the 1940

Act) of the Fund's board of directors, including a majority of the directors who are not interested persons of the Fund (as defined in the 1940 Act), and shall continue in effect for an initial term expiring _____, 1998 and from year to year thereafter, so long as such continuance is specifically approved at least annually both: (i) by either the board of directors or the vote of a majority of the outstanding voting securities of the Fund; and (ii) by a vote of the majority of the directors who are not interested persons of the Fund (as defined in the 1940 Act) cast in person at a meeting called for the purpose of voting upon such approval.

(b) Either of the parties hereto may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall not be less than 60 days after the date of receipt of such notice. In the event such notice is given by the Fund, it shall be accompanied by a resolution of the board of directors, certified by the Secretary, electing to terminate this Agreement and designating a successor transfer agent.

22. Amendment. This Agreement may not be amended or modified in any manner except by a written agreement executed by both parties with the formality of this Agreement, and (i) authorized or approved by the resolution of the board of directors, including a majority of the directors of the Fund who are not interested persons of the Fund as defined in the 1940 Act, or (ii) authorized and approved by such other procedures as may be permitted or required by the 1940 Act.

23. Subcontracting. The Fund agrees that the Transfer Agent may, in its discretion, subcontract for certain of the services to be provided hereunder; provided, however, that the transfer agent will be liable to the Fund for any loss arising out of or in connection with the actions of any subcontractor, if the subcontractor fails to act in good faith and with due diligence or is negligent or guilty of any willful misconduct.

24. Miscellaneous.

(a) Any notice and other instrument in writing, authorized or required by this Agreement to be given to the Fund or the Transfer Agent, shall be sufficiently given if addressed to that party and mailed or delivered to it at its office set forth below or at such other place as it may from time to time designate in writing.

To the Fund:

INVESCO Strategic Portfolios, Inc.
Post Office Box 173706
Denver, Colorado 80217-3706
Attention: Dan J. Hesser, President

To the Transfer Agent:

INVESCO Funds Group, Inc.
Post Office Box 173706
Denver, Colorado 80217-3706

Attention: Ronald L. Grooms, Senior Vice President

- (b) This Agreement shall not be assignable and in the event of its assignment (in the sense contemplated by the 1940 Act), it shall automatically terminate.
- (c) This Agreement shall be construed in accordance with the laws of the State of Colorado.
- (d) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original; but such counterparts shall, together, constitute only one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective corporate officers thereunder duly authorized and their respective corporate seals to be hereunto affixed, as of the day and year first above written.

INVESCO STRATEGIC PORTFOLIOS, INC.

By: _____
Dan J. Hesser, President

ATTEST:

Glen A. Payne, Secretary

INVESCO FUNDS GROUP, INC.

By: _____
Ronald L. Grooms, Senior Vice
President

ATTEST:

Glen A. Payne, Secretary

FEE SCHEDULE

for

Services Pursuant to Transfer Agency Agreement, dated January 31, 1997,

between INVESCO Strategic Portfolios, Inc. (the "Fund") and INVESCO Funds Group, Inc. as Transfer Agent (the "Agreement").

Account Maintenance Charges. Fees are based on an annual charge set forth below per shareholder account or omnibus account participant for account maintenance, as described in the Agreement. This charge, in the amount of \$20.00 per shareholder account per year, or in the case of omnibus accounts that are invested in the Fund, \$20.00 per participant in such accounts per year, is billable monthly at the rate of one-twelfth (1/12) of the annual fee. A charge is made for an account in the month that it opens or closes, as well as in each month which the account remains open, regardless of the account balance.

Expenses. The Fund shall not be liable for reimbursement to the Transfer Agent of expenses incurred by it in the performance of services pursuant to the Agreement, provided, however, that nothing herein or in the Agreement shall be construed as affecting in any manner any obligations assumed by the Fund with respect to expense payment or reimbursement pursuant to a separate written agreement between the Fund and the Transfer Agent or any affiliate thereof.

Effective this _____ day of _____, 1997.

INVESCO STRATEGIC PORTFOLIOS, INC.

By: _____
Dan J. Hesser, President

ATTEST:

Glen A. Payne, Secretary

INVESCO FUNDS GROUP, INC.

By: _____
Ronald L. Grooms,
Senior Vice President

ATTEST:

Glen A. Payne, Secretary

ADMINISTRATIVE SERVICES AGREEMENT

AGREEMENT made as of the _____ day of _____ 1997, in Denver, Colorado, by and between INVESCO Strategic Portfolios, Inc., a Maryland corporation (the "Fund"), and INVESCO Funds Group, Inc., a Delaware corporation (hereinafter referred to as "INVESCO").

WHEREAS, the Fund is engaged in business as an open-end management investment company, is registered as such under the Investment Company Act of 1940, as amended (the "Act"), and is authorized to issue shares representing interests in the following separate portfolios of investments: (1) the Energy Portfolio, (2) the Gold Portfolio, (3) the Health Sciences Portfolio, (4) the Leisure Portfolio, (5) the Technology Portfolio, (6) the Financial Services Portfolio, (7) the Utilities Portfolio, and (8) the Environmental Services Portfolio (the "Portfolios"); and

WHEREAS, INVESCO is registered as an investment adviser under the Investment Advisers Act of 1940, and engages in the business of acting as investment adviser and providing certain other administrative, sub-accounting, and recordkeeping services to certain investment companies, including the Fund; and

WHEREAS, the Fund desires to retain INVESCO to render certain administrative, sub-accounting, and recordkeeping services (the "Services") in the manner and on the terms and conditions hereinafter set forth; and

WHEREAS, INVESCO desires to be retained to perform such services on said terms and conditions;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the Fund and INVESCO agree as follows:

1. The Fund hereby retains INVESCO to provide, or, upon receipt of written approval of the Fund arrange for other companies, including affiliates of INVESCO, to provide to the Portfolios: A) such sub-accounting and recordkeeping services and functions as are reasonably necessary for the operation of the Portfolios. Such services shall include, but shall not be limited to, preparation and maintenance of the following required books, records and other documents: (1) journals containing daily itemized records of all purchases and sales, and receipts and deliveries of securities and all receipts and disbursements of cash and all other debits and credits, in the form required by Rule 31a-1(b)(1) under the Act; (2) general and auxiliary ledgers reflecting all asset, liability, reserve, capital, income and expense accounts, in the form required by Rules 31a-1(b)(2)(i) - (iii) under the Act; (3) a securities record or ledger reflecting separately for each portfolio security as of trade date all "long" and "short" positions carried by the Portfolios for the account of the Portfolios, if any, and showing the location of all securities long and the off-setting position to all securities short, in the form required by

Rule 31a-1(b)(3) under the Act; (4) a record of all portfolio purchases or sales, in the form required by Rule 31a-1(b)(6) under the Act; (5) a record of all puts, calls, spreads, straddles and all other options, if any, in which the Portfolios have any direct or indirect interest or which the Portfolios have granted or guaranteed, in the form required by Rule 31a-1(b)(7) under the Act; (6) a record of the proof of money balances in all ledger accounts maintained pursuant to this Agreement, in the form required by Rule 31a-1(b)(8) under the Act; and (7) price make-up sheets and such records as are necessary to reflect the determination of the Portfolios' net asset value. The foregoing books and records shall be maintained and preserved by INVESCO in accordance with and for the time periods specified by applicable rules and regulations, including Rule 31a-2 under the Act. All such books and records shall be the property of the Fund and, upon request therefor, INVESCO shall surrender to the Fund such of the books and records so requested; and B) such sub-accounting, recordkeeping, and administrative services and functions, which shall be furnished by a wholly-owned subsidiary of INVESCO, as are reasonably necessary for the operation of Portfolio shareholder accounts maintained by certain retirement plans and employee benefit plans for the benefit of participants in such plans. Such services and functions shall include, but shall not be limited to: (1) establishing new retirement plan participant accounts; (2) receipt and posting of weekly, bi-weekly and monthly retirement plan contributions; (3) allocation of contributions to each participant's individual Portfolio account; (4) maintenance of separate account balances for each source of retirement plan money (i.e., Company, Employee, Voluntary, Rollover) invested in the Portfolios; (5) purchase, sale, exchange or transfer of monies in the retirement plan as directed by the relevant party; (6) distribution of monies for participant loans, hardships, terminations, death or disability payments; (7) distribution of periodic payments for retired participants; (8) posting of distributions of interest, dividends and long-term capital gains to participants by the Portfolios; (9) production of monthly, quarterly and/or annual statements of all Portfolio activity for the relevant parties; (10) processing of participant maintenance information for investment election changes, address changes, beneficiary changes and Qualified Domestic Relations Orders; (11) responding to telephone and written inquiries concerning Portfolio investments, retirement plan provisions and compliance issues; (12) performing discrimination testing and counseling employers on cure options on failed tests; (13) preparation of 1099R and W2P participant IRS tax forms; (14) preparation of, or assisting in the preparation of, 5500 Series tax forms, Summary Plan Descriptions and Determination Letters; and (15) reviewing legislative and IRS changes to keep the retirement plan in compliance with applicable law.

2. INVESCO shall, at its own expense, maintain such staff and employ or retain such personnel and consult with such other persons as it shall from time to time determine to be necessary or useful to the performance of its obligations under this Agreement. Without limiting the generality of the

foregoing, such staff and personnel shall be deemed to include officers of INVESCO and persons employed or otherwise retained by INVESCO to provide or assist in providing of the Services to the Portfolios.

3. INVESCO shall, at its own expense, provide such office space, facilities and equipment (including, but not limited to, computer equipment, communication lines and supplies) and such clerical help and other services as shall be necessary to provide the Services to the Portfolios. In addition, INVESCO may arrange on behalf of the Fund to obtain pricing information regarding the Portfolios' investment securities from such company or companies as are approved by a majority of the Fund's board of directors; and, if necessary, the Fund shall be financially responsible to such company or companies for the reasonable cost of providing such pricing information.

4. The Fund will, from time to time, furnish or otherwise make available to INVESCO such information relating to the business and affairs of the Portfolios as INVESCO may reasonably require in order to discharge its duties and obligations hereunder.

5. For the services rendered, facilities furnished, and expenses assumed by the Investment Adviser under this Agreement, the Fund shall pay to INVESCO a \$10,000 per year per Portfolio base fee, plus an additional fee, computed on a daily basis and paid on a monthly basis. For purposes of each daily calculation of this additional fee, the most recently determined net asset value of each Portfolio, as determined by a valuation made in accordance with the Fund's procedure for calculating each Portfolio's net asset value as described in the Portfolios' Prospectus and/or Statement of Additional Information, shall be used. The additional fee to INVESCO under this Agreement shall be computed at the annual rate of 0.015% of each Portfolio's daily net assets as so determined. During any period when the determination of a Portfolio's net asset value is suspended by the directors of the Fund, the net asset value of a share of that Portfolio as of the last business day prior to such suspension shall, for the purpose of this Paragraph 5, be deemed to be the net asset value at the close of each succeeding business day until it is again determined.

6. INVESCO will permit representatives of the Fund including the Fund's independent auditors to have reasonable access to the personnel and records of INVESCO in order to enable such representatives to monitor the quality of services being provided and the level of fees due INVESCO pursuant to this Agreement. In addition, INVESCO shall promptly deliver to the board of directors of the Fund such information as may reasonably be requested from time to time to permit the board of directors to make an informed determination regarding continuation of this Agreement and the payments contemplated to be made hereunder.

7. This Agreement shall remain in effect until no later than _____ and from year to year thereafter provided such continuance is approved at least annually by the vote of a majority of the directors of the Fund who are not parties to this Agreement or "interested persons" (as defined in the Act) of any such party, which vote must be cast in person at a meeting called for the purpose of voting on such approval; and further provided, however, that (a) the Fund may, at any time and without the payment of any

penalty, terminate this Agreement upon thirty days written notice to the Investment Adviser; (b) the Agreement shall immediately terminate in the event of its assignment (within the meaning of the Act and the Rules thereunder) unless the Board of Directors of the Fund approves such amendment; and (c) the Investment Adviser may terminate this Agreement without payment of penalty on sixty days written notice to the Fund. Any notice under this Agreement shall be given in writing, addressed and delivered, or mailed post-paid, to the other party at the principal office of such party.

8. This Agreement shall be construed in accordance with the laws of the State of Colorado and the applicable provisions of the Act. To the extent the applicable law of the State of Colorado or any of the provisions herein conflict with the applicable provisions of the Act, the latter shall control.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year first above written.

INVESCO STRATEGIC PORTFOLIOS, INC.

By: _____
Dan J. Hesser
President

INVESCO FUNDS GROUP, INC.

By: _____
Ronald L. Grooms
Senior Vice President

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Prospectus and Statement of Additional Information constituting parts of this Post-Effective Amendment No. 20 to the registration statement on Form N-1A (the "Registration Statement") of our report dated December 6, 1996, relating to the financial statements and financial highlights appearing in the October 31, 1996 Annual Report to Shareholders of INVESCO Strategic Portfolios, Inc., which is also incorporated by reference into the Registration Statement. We also consent to the references to us under the heading "Financial Highlights" in the Prospectus and under the headings "Independent Accountants" and "Financial Statements" in the Statement of Additional Information.

/s/ Price Waterhouse LLP

PRICE WATERHOUSE LLP

Denver, Colorado
December 27, 1996

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<CIK> 0000725781

<NAME> INVESCO STRATEGIC PORTFOLIOS, INC.

<SERIES>

<NUMBER> 4

<NAME> LEISURE PORTFOLIO

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<CIK> 0000725781

<NAME> INVESCO STRATEGIC PORTFOLIOS, INC.

<SERIES>

<NUMBER> 6

<NAME> TECHNOLOGY PORTFOLIO

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<NAME> INVESCO STRATEGIC PORTFOLIOS, INC.

<SERIES>

<NUMBER> 8

<NAME> FINANCIAL SERVICES PORTFOLIO

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<SERIES>

<NUMBER> 9

<NAME> UTILITIES PORTFOLIO

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<CIK> 0000725781

<NAME> INVESCO STRATEGIC PORTFOLIOS, INC.

<SERIES>

<NUMBER> 10

<NAME> ENVIRONMENTAL SERVICES PORTFOLIO

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POWER OF ATTORNEY

The person executing this Power of Attorney hereby appoints Edward F. O'Keefe and Glen A. Payne, or either of them, as his attorney-in-fact to execute and to file such Registration Statements under federal and state securities laws and such Post-Effective Amendments to such Registration Statements of the hereinafter described entities as such attorney-in-fact, or either of them, may deem appropriate:

- INVESCO Diversified Funds, Inc.
- INVESCO Dynamics Fund, Inc.
- INVESCO Emerging Opportunity Funds, Inc.
- INVESCO Growth Fund, Inc.
- INVESCO Income Funds, Inc.
- INVESCO Industrial Income Fund, Inc.
- INVESCO International Funds, Inc.
- INVESCO Money Market Funds, Inc.
- INVESCO Multiple Asset Funds, Inc.
- INVESCO Specialty Funds, Inc.
- INVESCO Strategic Portfolios, Inc.
- INVESCO Tax-Free Income Funds, Inc.
- INVESCO Value Trust
- INVESCO Variable Investment Funds, Inc.

This Power of Attorney, which shall not be affected by the disability of the undersigned, is executed and effective as of the 23rd day of July, 1996.

/s/ Hubert L. Harris, Jr.

Hubert L. Harris, Jr.

STATE OF GEORGIA)
)
COUNTY OF DEKALB)

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me by Hubert L. Harris, Jr., as a director or trustee of each of the above-described entities, this 23rd day of July, 1996.

Cecilia Underwood

Notary Public

My Commission Expires: October 14, 1997