

Invesco Municipal Opportunity Trust
Form N-CSR
May 09, 2014

OMB APPROVAL
OMB Number: 3235-0570

Expires: January 31, 2017

Estimated average burden
hours per response: 20.6

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act file number 811-06567

Invesco Municipal Opportunity Trust
(Exact name of registrant as specified in charter)

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1555 Peachtree Street, N.E., Atlanta, Georgia 30309

(Address of principal executive offices) (Zip code)

Colin Meadows 1555 Peachtree Street, N.E., Atlanta, Georgia 30309

(Name and address of agent for service)

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

Date of fiscal year end: 2/28

Date of reporting period: 2/28/14

Item 1. Report to Stockholders.

Management's Discussion of Trust Performance

Performance summary

This is the annual report for Invesco Municipal Opportunity Trust (the Trust) for the fiscal year ended February 28, 2014. The Trust's return can be calculated based on either the market price or the net asset value (NAV) of its shares. NAV per share is determined by dividing the value of the Trust's portfolio securities, cash and other assets, less all liabilities and preferred shares, by the total number of common shares outstanding. Market price reflects the supply and demand for Trust shares. As a result, the two returns can differ, as they did during the reporting period. The main driver of the Trust's return on an NAV basis was its exposure to the long end of the yield curve.

Performance

Total returns, 2/28/13 to 2/28/14

Trust at NAV	-1.84%
Trust at Market Value	-9.61
Barclays Municipal Bond Index*	-0.21
Market Price Discount to NAV as of 2/28/14	-8.17
Source(s): Lipper Inc.	

* Effective February 28, 2014, after the close of the fiscal year, the Trust will adopt a three-tier benchmark structure to compare its performance to broad market, style-specific and peer group market measures. The S&P Municipal Bond Index will represent the Trust's broad market benchmark instead of the Barclays Municipal Bond Index as the S&P Municipal Bond Index more closely reflects the performance of the broad US municipal bond market. The S&P Municipal Bond 5+ Year Investment Grade Index and Lipper General & Insured Leveraged Municipal Debt Funds Index will become the Trust's style-specific and peer group benchmarks, respectively.

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

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

for trading purposes. It is designed primarily for risk-tolerant long-term investors.

How we invest

The Trust seeks to provide investors with a high level of current income exempt from federal income tax, consistent with preservation of capital.

We seek to achieve the Trust's investment objective by investing primarily in municipal securities that are rated investment grade at the time of investment. Municipal securities include municipal bonds, municipal notes, municipal commercial paper and lease obligations. The

Trust may also invest up to 20% of its net assets in non-investment-grade and unrated securities that we determine to be of comparable quality. From time to time, we may invest in municipal securities that pay interest subject to the federal alternative minimum tax.

We employ a bottom-up, research-driven approach to identify securities that have attractive risk-reward characteristics for the sectors in which we invest. We also integrate macroeconomic analysis

and forecasting into our evaluation and ranking of various sectors and individual securities. Finally, we employ leverage in an effort to enhance the Trust's income and total return.

Sell decisions generally are based on:

- ┆ A deterioration or likely deterioration of an individual issuer's capacity to meet its debt obligations on a timely basis.
- ┆ A deterioration or likely deterioration of the broader fundamentals of a particular industry or sector.
- ┆ Opportunities in the secondary or primary market to purchase a security with better relative value.

Market conditions and your Trust

For the fiscal year ended February 28, 2014, the municipal bond market returned -0.21%¹, as measured by the Barclays Municipal Bond Index, the Trust's benchmark. Record outflows from municipal bond funds, driven by concerns over rising interest rates and high-profile credit events, resulted in a challenging year for municipal bond investors. The \$67 billion² in municipal bond fund redemptions between March and December 2013 was in stark contrast to inflows of \$65 billion² and strong performance for the asset class over the prior two years.

Shortly after the fiscal year began, investors became apprehensive that the US Federal Reserve (the Fed) would reduce its asset purchase program, known as quantitative easing (QE), as the US economy improved. Concerned that Fed action would cause interest rates to rise and bond prices to fall, investors began trimming their allocations to fixed income investments, including municipal bonds. The rate of outflows increased dramatically in June following

comments made by then-Fed Chairman Ben Bernanke on the timing for tapering QE.

Over the summer of 2013, several high-profile credit events had an adverse impact on the municipal bond market. These included downgrades to the credit

Portfolio Composition

By credit sector, based on total investments

Revenue Bonds	85.6%
General Obligation Bonds	9.5
Pre-Refunded Bonds	4.1
Other	0.8

Top Five Fixed Income Holdings

1. New Jersey (State of) Economic Development Authority; Series 1992	3.9%
2. New York and New Jersey (States of) Port Authority; One Hundred Forty-Fourth Series 2006	2.6
3. Houston (City of); Series 2007 A	1.5
4. Charleston Educational Excellence Finance Corp. (Charleston County School District); Series 2005	1.5
5. New York (City of) Municipal Water Finance Authority; Series 2010 FF	1.3

Total Net Assets

Applicable to Common Shares \$898.7 million

Total Number of Holdings 613

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

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ratings of Chicago debt on pension concerns, Detroit filing the largest municipal bankruptcy in US history³ and increased uncertainty about the financial condition of Puerto Rico.

The market received a two-month reprieve in September when the Fed decided not to reduce QE, although it reversed that decision in December when it announced that it would decrease its asset purchases by \$10 billion per month, beginning in January 2014.⁴ A final headwind for the municipal bond market was significant tax-loss selling of municipal bonds in December to offset gains from strong equity returns during 2013.

In the first two months of 2014, the municipal bond market turned positive. Softer economic data reduced expectations for hawkish Fed action. Relatively high yields on municipal bonds, coupled with higher personal income tax rates and improving municipal fundamentals, drew investors back to the asset class. Net positive fund flows in January and February, combined with limited supply of new issuance, produced strong returns in the final two months of the fiscal year.

During the fiscal year, the largest driver of Trust performance relative to its benchmark was an overweight position in longer-maturity bonds. This position had a negative impact on relative performance as investors sold longer-dated bonds on concerns over rising interest rates. Security selection in the intermediate-to-long end of the yield curve was positive and helped partially offset the impact of rising rates.

At a sector level, the primary detractors from Trust performance relative to its benchmark were local general obligation bonds and electric revenue bonds. Industrial development revenue bonds and the leasing sector contributed to relative performance. The Trust's underweight position in Puerto Rico bonds also contributed to relative performance, but security selection in the commonwealth's bonds offset the positive effect of the allocation.

One important factor affecting the Trust's performance relative to its benchmark was the use of structural leverage. The Trust uses leverage because we believe that, over time, leveraging can provide opportunities for additional income and total return for common shareholders. However, the use of leverage also can expose common shareholders to additional volatility. For example, if the prices of securities held by a trust decline, the negative effect of these valuation

changes on common share NAV and total return is magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when the prices of securities held by a trust generally are rising.

During the reporting period, the Trust achieved a leveraged position through the use of inverse floating rate securities and Variable Rate Muni Term Preferred (VMTP) shares. Inverse floating rate securities or Tender Option Bonds (TOBs) are instruments that have an inverse relationship to a referenced interest rate. VMTPs are a variable rate form of preferred stock with a mandatory redemption date. Inverse floating rate securities and VMTPs can be efficient means to manage duration, yield curve exposure and credit exposure, and potentially can enhance yield. At the close of the reporting period, leverage accounted for 41% of the Trust's total assets and it detracted from returns. For more information about the Trust's use of leverage, see the Notes to Financial Statements later in this report.

As stated earlier, the Trust trades at a market price that may be at a premium or discount to NAV. Throughout most of the fiscal year and at the end of the reporting period, the Trust traded at a discount to its underlying NAV.

We wish to remind you that the Trust is subject to interest rate risk, meaning when interest rates rise, the value of fixed income securities generally will fall. This risk may be greater in the current market environment because interest rates are at or near historic lows. We are monitoring interest rates and market and economic factors that may impact interest rates, including the potential impact of the Fed's tapering of QE. If interest rates rise, markets may experience increased volatility, which may affect the value and/or liquidity of certain of the Trust's investments or the market price of the Trust's common shares.

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Recently published rules implementing section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act may preclude banking entities from sponsoring and/or providing services for TOB trust programs. As a result, the Trust's ability to utilize TOBs for leverage purposes may be adversely affected.

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

- 1 Source: Barclays
- 2 Source: Morningstar
- 3 Source: Moody's
- 4 Source: US Federal Reserve

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

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

Robert Wimmel

Portfolio manager, is manager of Invesco Municipal Opportunity Trust and is head of Investment Grade

Municipals. He joined Invesco in 2010. Mr. Wimmel was associated with the Trust's previous investment adviser or its investment advisory affiliates in an investment management capacity from 1996 to 2010 and began managing the Trust in 2001. He earned a BA in anthropology from the University of Cincinnati and an MA in economics from the University of Illinois at Chicago.

Thomas Byron

Portfolio manager, is manager of Invesco Municipal Opportunity Trust. He joined Invesco in 2010.

Mr. Byron was associated with the Trust's previous investment adviser or its investment advisory affiliates in an investment management capacity from 1981 to 2010 and began managing the Trust in 2009. He earned a BS in finance from Marquette University and an MBA in finance from DePaul University.

Robert Stryker

Chartered Financial Analyst, portfolio manager, is manager of Invesco Municipal Opportunity Trust.

He joined Invesco in 2010. Mr. Stryker was associated with the Trust's previous investment adviser or its investment advisory affiliates in an investment management capacity from 1994 to 2010 and began managing the Trust in 2009.

He earned a BS in finance from the University of Illinois at Chicago.

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Supplemental Information

Invesco Municipal Opportunity Trust's investment objective is to provide common shareholders with a high level of current income exempt from federal income tax, consistent with preservation of capital.

- n Unless otherwise stated, information presented in this report is as of February 28, 2014, and is based on total net assets applicable to common shares.
- n Unless otherwise noted, all data provided by Invesco.
- n To access your Trust's reports, visit invesco.com/fundreports.

About indexes used in this report

- n The **Barclays Municipal Bond Index** is an unmanaged index considered representative of the tax-exempt bond market.
- n The **S&P Municipal Bond Index** is a broad, market value-weighted index that seeks to measure the performance of the US municipal bond market.
- n The **S&P Municipal Bond 5+ Year Investment Grade Index** is a subset of the broad S&P Municipal Bond Index. This index of market value-weighted investment-grade US municipal bonds seeks to measure the performance of US municipals whose maturities are greater than or equal to 5 years.
- n The **Lipper General & Insured Leveraged Municipal Debt Funds Index** is an unmanaged index considered representative of general and insured leverage municipal debt funds tracked by Lipper. These funds either invest primarily in municipal debt issues rated in the top four credit ratings or invest primarily in municipal debt issues insured as to timely payment. These funds can be leveraged via use of debt, preferred equity, and/or reverse repurchase agreements.
- n The Trust is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Trust may deviate significantly from the performance of the index(es).
- n A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects trust expenses; performance of a market index does not.

Other information

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

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

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Dividend Reinvestment Plan

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

Plan benefits

n Add to your account:

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

n Low transaction costs:

Shareholders who participate in the Plan may be able to buy shares at below-market prices when the Trust is trading at a premium to its net asset value (NAV). In addition, transaction costs are low because when new shares are issued by the Trust, there is no brokerage fee, and when shares are bought in blocks on the open market, the per share fee is shared among all participants.

n Convenience:

You will receive a detailed account statement from Computershare Trust Company, N.A. (the Agent), which administers the Plan. The statement shows your total Distributions, date of investment, shares acquired, and price per share, as well as the total number of shares in your reinvestment account. You can also access your account at invesco.com/us.

n Safekeeping:

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

Who can participate in the Plan

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

How to enroll

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If you haven't participated in the Plan in the past or chose to opt out, you are still eligible to participate. Enroll by visiting invesco.com/us, by calling toll-free 800 341 2929 or by notifying us in writing at Invesco Closed-End Funds, Computershare Trust Company, N.A., P.O. Box 30170, College Station, TX 77842-3170. If you are writing to us, please include the Trust name and account number and ensure that all shareholders listed on the account sign these written instructions. Your participation in the Plan will begin with the next Distribution payable after the Agent receives your authorization, as long as they receive it before the record date, which is generally 10 business days before the Distribution is paid. If your authorization arrives after such record date, your participation in the Plan will begin with the following Distribution.

How the Plan works

If you choose to participate in the Plan, your Distributions will be promptly reinvested for you, automatically increasing your shares. If the Trust is trading at a share price that is equal to its NAV, you'll pay that amount for your reinvested shares. However, if the Trust is trading above or below NAV, the price is determined by one of two ways:

1. **Premium:** If the Trust is trading at a premium (a market price that is higher than its NAV) you'll pay either the NAV or 95 percent of the market price, whichever is greater. When the Trust trades at a premium, you may pay less for your reinvested shares than an investor purchasing shares on the stock exchange. Keep in mind, a portion of your price reduction may be taxable because you are receiving shares at less than market price.
2. **Discount:** If the Trust is trading at a discount (a market price that is lower than its NAV) you'll pay the market price for your reinvested shares.

Costs of the Plan

There is no direct charge to you for reinvesting Distributions because the Plan's fees are paid by the Trust. If the Trust is trading at or above its NAV, your new shares are issued directly by the Trust and there are no brokerage charges or fees. However, if the Trust is trading at a discount, the shares are purchased on the open market, and you will pay your portion of any per share fees. These per share fees are typically less than the standard brokerage charges for individual transactions because shares are purchased for all participants in blocks, resulting in lower fees for each individual participant. Any service or per share fees are added to the purchase price. Per share fees include any applicable brokerage commissions the Agent is required to pay.

Tax implications

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

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

How to withdraw from the Plan

You may withdraw from the Plan at any time by calling 800 341 2929, by visiting invesco.com/us or by writing to Invesco Closed-End Funds, Computershare Trust Company, N.A., P.O. Box 30170, College Station, TX 77842-3170. Simply indicate that you would like to withdraw from the Plan, and be sure to include your Trust name and account number. Also, ensure that all shareholders listed on the account sign these written instructions. If you withdraw, you have three options with regard to the shares held in the Plan:

1. If you opt to continue to hold your non-certificated whole shares (Investment Plan Book Shares), they will be held by the Agent electronically as Direct Registration Book-Shares (Book-Entry Shares) and fractional shares will be sold at the then-current market price. Proceeds will be sent via check to your address of record after deducting applicable fees, including per share fees such as any applicable brokerage commissions the Agent is required to pay.
2. If you opt to sell your shares through the Agent, we will sell all full and fractional shares and send the proceeds via check to your address of record after deducting a \$2.50 service fee and per share fees. Per share fees include any applicable brokerage commissions the Agent is required to pay.
3. You may sell your shares through your financial adviser through the Direct Registration System (DRS). DRS is a service within the securities industry that allows Trust shares to be held in your name in electronic format. You retain full ownership of your shares, without having to hold a share certificate. You should contact your financial adviser to learn more about any restrictions or fees that may apply.

The Trust and Computershare Trust Company, N.A. may amend or terminate the Plan at any time. Participants will receive at least 30 days written notice before the effective date of any amendment. In the case of termination, Participants will receive at least 30 days written notice before the record date for the payment of any such Distributions by the Trust. In the case of amendment or termination necessary or appropriate to comply with applicable law or the rules and policies of the Securities and Exchange Commission or any other regulatory authority, such written notice will not be required.

To obtain a complete copy of the current Dividend Reinvestment Plan, please call our Client Services department at 800 341 2929 or visit invesco.com/us.

Schedule of Investments

February 28, 2014

	Interest Rate	Maturity Date	Principal Amount (000)	Value
Municipal Obligations 167.68%*				
Alabama 1.94%				
Bessemer Governmental Utility Services Corp.; Series 2008 A, Ref. Water Supply RB (INS AGC ^(a)) ^(b)	5.00%	06/01/39	\$ 3,250	\$ 3,361,313
Birmingham (City of) Airport Authority; Series 2010, RB (INS AGM ^(a))	5.25%	07/01/30	3,350	3,591,066
Birmingham (City of) Water Works Board; Series 2011, Water RB (INS AGM ^(a)) ^(b)	5.00%	01/01/36	1,815	1,914,262
Courtland (City of) Industrial Development Board (International Paper Co.); Series 2005 A, Ref. Solid Waste Disposal RB ^(c)	5.20%	06/01/25	1,250	1,263,088
Huntsville (City of) Special Care Facilities Financing Authority (Redstone Village); Series 2007, Retirement Facility RB	5.50%	01/01/43	1,600	1,370,528
Mobile (City of) Industrial Development Board (Mobile Energy Services Co.); Series 1995, Ref. Solid Waste Disposal RB	6.95%	01/01/20	5	0
Selma (City of) Industrial Development Board; Series 2009 A, Gulf Opportunity Zone RB	6.25%	11/01/33	3,050	3,382,053
University of Alabama Board of Trustees; Series 2004 A, General RB ^(d)	5.25%	07/01/20	2,500	2,542,425
				17,424,735
Alaska 0.69%				
Alaska (State of) Industrial Development & Export Authority (Providence Health Services); Series 2011 A, RB ^(b)	5.50%	10/01/41	5,730	6,180,722
Arizona 4.61%				
Arizona (State of) Health Facilities Authority (Catholic Healthcare West); Series 2011 B-2, RB (INS AGM ^(a))	5.00%	03/01/41	435	446,371
Arizona (State of) Transportation Board; Series 2008 B, Highway RB ^(b)	5.00%	07/01/25	2,005	2,291,093
Series 2008 B, Highway RB	5.00%	07/01/25	610	697,041
Series 2008 B, Highway RB ^(b)	5.00%	07/01/26	3,925	4,474,461
Series 2011 A, Ref. Sub. Highway RB ^(b)	5.00%	07/01/36	4,095	4,413,837
Glendale (City of) Industrial Development Authority (John C. Lincoln Health Network); Series 2005, Ref. Hospital RB	5.00%	12/01/35	1,155	1,162,831
Series 2005 B, Ref. Hospital RB	5.00%	12/01/37	1,075	1,082,106
Glendale (City of) Industrial Development Authority (Midwestern University); Series 2010, RB	5.00%	05/15/35	750	769,875

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Series 2010, RB	5.13%	05/15/40	1,500	1,542,450
Goodyear (City of) McDowell Road Commercial Corridor Improvement District; Series 2007, Special Assessment Improvement RB (INS AMBAC ⁹)	5.25%	01/01/32	2,775	2,837,576
Maricopa (County of) Industrial Development Authority (Catholic Healthcare West); Series 2009 C, Health Facilities RB ^(e)	5.00%	07/01/14	3,425	3,480,108
Maricopa County Pollution Control Corp. (Arizona Public Service Co. Palo Verde); Series 2009 A, Ref. PCR ⁹	6.00%	05/01/14	300	302,721
Navajo County Pollution Control Corp.; Series 2009 C, PCR ^(e)	5.50%	06/01/14	800	809,680
Series 2009 E, PCR ^(e)	5.75%	06/01/16	950	1,044,544
Phoenix (City of) Industrial Development Authority (Career Success Schools); Series 2009, Education RB	7.00%	01/01/29	735	685,557
Series 2009, Education RB	7.00%	01/01/39	835	740,486
Series 2009, Education RB	7.13%	01/01/45	790	702,191
Phoenix (City of) Industrial Development Authority (Rowan University); Series 2012, Lease RB	5.00%	06/01/42	3,870	3,941,788
Pima (County of) Industrial Development Authority (Global Water Resources, LLC); Series 2007, Water & Wastewater RB ^(c)	6.55%	12/01/37	2,900	2,921,634
Pima (County of) Industrial Development Authority (Tucson Electric Power Co.); Series 2010 A, IDR	5.25%	10/01/40	550	566,011
Salt River Project Agricultural Improvement & Power District; Series 2009 A, Electric System RB ^(b)	5.00%	01/01/28	2,680	2,993,131
University Medical Center Corp.; Series 2005, Hospital RB	5.00%	07/01/35	1,405	1,413,051
Yuma (City of) Industrial Development Authority (Regional Medical Center); Series 2014 A, Hospital RB	5.00%	08/01/29	2,015	2,086,150
				41,404,693

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

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	Interest Rate	Maturity Date	Principal Amount (000)	Value
California 17.03%				
Anaheim (City of) Public Financing Authority (Anaheim Public Improvements); Series 1997 C, Sub. Lease CAB RB (INS AGM) ^(f)	0.00%	09/01/20	\$ 2,630	\$ 2,232,975
Bay Area Governments Association (California Redevelopment Agency Pool); Series 2004 A, Tax Allocation RB (INS SGI) ^(g)	5.25%	09/01/29	2,400	2,394,936
Bay Area Toll Authority (San Francisco Bay Area); Series 2008 F-1, Toll Bridge RB ^(b)	5.00%	04/01/39	5,905	6,370,550
Beverly Hills Unified School District (Election of 2008); Series 2009, Unlimited Tax CAB GO Bonds ^(f)	0.00%	08/01/28	1,050	603,183
California (State of) Department of Water Resources (Central Valley);				
Series 2008 AE, Water System RB ^(b)	5.00%	12/01/24	1,200	1,385,280
Series 2008 AE, Water System RB ^(b)	5.00%	12/01/25	1,450	1,664,789
Series 2008 AE, Water System RB ^(b)	5.00%	12/01/26	1,450	1,659,612
Series 2008 AE, Water System RB ^(b)	5.00%	12/01/27	900	1,016,838
Series 2008 AE, Water System RB ^(b)	5.00%	12/01/28	1,450	1,635,702
California (State of) Health Facilities Financing Authority (Catholic Healthcare West); Series 2009 A, RB	6.00%	07/01/34	1,400	1,564,402
California (State of) Housing Finance Agency;				
Series 2008 K, Home Mortgage RB ^(c)	5.30%	08/01/23	2,630	2,685,966
Series 2008 K, Home Mortgage RB ^(c)	5.45%	08/01/28	5,700	5,773,530
California (State of) Pollution Control Finance Authority;				
Series 2012, Water Furnishing RB ^{(c)(g)}	5.00%	07/01/27	1,740	1,805,981
Series 2012, Water Furnishing RB ^{(c)(g)}	5.00%	07/01/30	2,025	2,059,405
Series 2012, Water Furnishing RB ^{(c)(g)}	5.00%	07/01/37	4,445	4,414,418
California (State of) Pollution Control Financing Authority (Waste Management Inc.); Series 2002 B, Solid Waste Disposal RB ^(c)	5.00%	07/01/27	2,500	2,585,500
California (State of) Public Works Board (Department of Mental Health Coalinga State Hospital); Series 2004 A, Lease RB ^{(d)(e)}	5.00%	06/01/14	2,000	2,025,140
California (State of) Statewide Communities Development Authority (Adventist Health System/West); Series 2005 A, Health Facility RB	5.00%	03/01/30	5,000	5,043,000
California (State of) Statewide Communities Development Authority (John Muir Health); Series 2006 A, RB	5.00%	08/15/28	1,260	1,345,214
California (State of) Statewide Communities Development Authority (Kaiser Permanente); Series 2009 A, RB	5.00%	04/01/19	1,750	2,072,735
California (State of) Statewide Communities Development Authority (Pooled Financing Program); Series 2004 A, Water & Wastewater RB ^(d)	5.25%	10/01/19	105	106,466
California (State of);				
Series 2009, Various Purpose Unlimited Tax GO Bonds	5.75%	04/01/31	1,575	1,817,849
Series 2009 A, Ref. Economic Recovery Unlimited Tax GO Bonds	5.25%	07/01/21	2,500	2,994,425

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Series 2010, Various Purpose Unlimited Tax GO Bonds	5.50%	03/01/40	5,090	5,688,431
Series 2012, Ref. Unlimited Tax GO Bonds	5.25%	02/01/30	730	823,922
Series 2012, Ref. Unlimited Tax GO Bonds	5.00%	02/01/32	2,300	2,493,016
Series 2012, Various Purpose Unlimited Tax GO Bonds	5.25%	04/01/35	4,665	5,209,685
Series 2012, Various Purpose Unlimited Tax GO Bonds	5.00%	04/01/42	3,430	3,622,492
Series 2013, Ref. Unlimited Tax GO Bonds	5.00%	10/01/24	3,250	3,706,007
Series 2013, Ref. Various Purpose Unlimited Tax GO Bonds	5.25%	09/01/30	1,000	1,150,540
California Infrastructure & Economic Development Bank (The Scripps Research Institute); Series 2005 A, RB	5.00%	07/01/29	2,000	2,095,760
Camarillo (City of) Public Finance Authority; Series 2005, Wastewater RB (INS AMBAC ³)	5.00%	06/01/36	2,000	2,111,720
Coachella (City of) Redevelopment Agency (Merged Project Areas); Series 2006 A, Sub. Tax Allocation RB (INS AMBAC ³)	5.25%	09/01/36	3,390	3,414,103
Daly City (City of) Housing Development Finance Agency (Franciscan Mobile Home Park Acquisition); Series 2007 C, Ref. Third Tier Mobile Home Park RB	6.50%	12/15/47	600	590,250
Desert Community College District (Election of 2004); Series 2007 B, Unlimited Tax GO Bonds (INS AGM ³)	5.00%	08/01/32	500	547,165
East Bay Municipal Utility District; Series 2010 A, Ref. Sub. Water System RB ^(b)	5.00%	06/01/36	5,795	6,380,701
Golden State Tobacco Securitization Corp.; Series 2005 A, Enhanced Tobacco Settlement Asset-Backed RB	5.00%	06/01/45	2,000	1,982,660
Series 2013 A, Enhanced Tobacco Settlement Asset-Backed RB	5.00%	06/01/30	1,725	1,834,606

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

	Interest Rate	Maturity Date	Principal Amount (000)	Value
California (continued)				
Kern (County of) Board of Education; Series 2006 A, Ref. COP (INS NATL ^(j))	5.00%	06/01/31	\$ 1,000	\$ 1,007,670
Los Angeles (City of) Department of Water & Power; Series 2012 B, Waterworks RB	5.00%	07/01/37	1,000	1,088,410
Los Angeles (County of) Public Works Financing Authority; Series 1996 A, Ref. Sr. Lien RB (INS AGM ^(j))	5.50%	10/01/18	1,055	1,169,468
Morongo Band of Mission Indians (The) (Enterprise Casino); Series 2008 B, RB ^(g)	5.50%	03/01/18	150	159,255
Oxnard (City of) Finance Authority (Redwood Trunk Sewer & Headworks); Series 2004 A, Wastewater RB (INS NATL ^(j))	5.00%	06/01/29	3,000	3,005,460
Palm Springs (City of) Financing Authority (Convention Center Expansion); Series 2004 A, Lease RB (INS NATL ^(j))	5.50%	11/01/35	3,500	3,591,910
Palomar Pomerado Health; Series 2009, COP	6.75%	11/01/39	1,450	1,494,472
Sacramento (County of); Series 2010, Sr. Airport System RB	5.00%	07/01/40	2,750	2,827,247
San Diego (County of) Regional Airport Authority; Series 2010 A, Sub. RB	5.00%	07/01/34	525	546,809
San Diego (County of) Water Authority; Series 2004 A, COP ^{(d)(e)}	5.00%	05/01/15	2,690	2,842,496
San Diego Community College District (Election of 2006); Series 2011, Unlimited Tax GO Bonds ^(b)	5.00%	08/01/36	8,460	9,165,226
San Francisco (City & County of) Airport Commission (San Francisco International Airport); Series 2010 F, Second Series RB	5.00%	05/01/40	1,000	1,036,180
Series 2011 F, Ref. Second Series RB ^(c)	5.00%	05/01/25	1,210	1,340,027
Series 2011 F, Ref. Second Series RB ^(c)	5.00%	05/01/26	2,420	2,651,981
San Francisco (City & County of) Public Utilities Commission (Water System Improvement Program); Subseries 2011 A, Water RB ^(b)	5.00%	11/01/36	5,250	5,663,910
San Francisco (City & County of) Public Utilities Commission; Series 2012, Water RB	5.00%	11/01/33	3,800	4,175,098
Santa Margarita Water District (Community Facilities District No. 2013-1); Series 2013, Special Tax RB	5.50%	09/01/32	870	903,704
Southern California Metropolitan Water District; Series 2005 A, RB (INS AGM ^(j))	5.00%	07/01/35	1,000	1,050,840
Southern California Public Power Authority (Milford Wind Corridor Phase II); Series 2011-1, RB ^(b)	5.25%	07/01/29	1,950	2,194,004
Twin Rivers Unified School District; Series 2009, Unlimited Tax CAB GO BAN ^(f)	0.00%	04/01/14	600	599,892
Vernon (City of); Series 2009 A, Electric System RB	5.13%	08/01/21	3,300	3,643,695
West Contra Costa Unified School District; Series 2005, Unlimited Tax CAB GO Bonds (INS NATL ^{(j)(f)})	0.00%	08/01/25	1,485	884,540
	0.00%	08/01/26	1,350	748,751

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Series 2005, Unlimited Tax CAB GO Bonds
(INS NATL^(g))(f)

West Sacramento (City of) Financing Authority; Series 2006 A, Special Tax RB (INS SGI ^(g))	5.00%	09/01/26	2,500	2,534,375
William S. Hart Union High School District (Election of 2008); Series 2009 A, Unlimited Tax CAB GO Bonds ^(f)	0.00%	08/01/32	4,650	1,789,692
				153,024,066

Colorado 5.53%

Colorado (State of) Board of Governors; Series 2012 A, University Enterprise System RB	5.00%	03/01/41	3,500	3,729,180
Colorado (State of) Educational & Cultural Facilities Authority (Academy of Charter Schools); Series 2004, Charter School RB (INS SGI ^(g))	5.50%	05/01/36	5,000	5,033,400
Colorado (State of) Educational & Cultural Facilities Authority (Challenge to Excellence Charter School); Series 2007, Ref. Charter School RB (INS AGC ^(g))	5.00%	06/01/37	2,500	2,552,900
Colorado (State of) Health Facilities Authority (Catholic Health Initiatives); Series 2009 A, RB	5.00%	07/01/39	1,500	1,527,330
Colorado (State of) Health Facilities Authority (Catholic Health); Series 2006 C5, RB (INS AGM ^(g))(b)	5.00%	09/01/36	7,400	7,612,676
Colorado (State of) Health Facilities Authority (Evangelical Lutheran); Series 2005, Health Facilities RB	5.00%	06/01/35	2,790	2,798,649
Colorado (State of) Health Facilities Authority (SCL Health System); Series 2013 A, RB ^(b)	5.50%	01/01/35	3,000	3,325,620
Colorado (State of) Health Facilities Authority (Volunteers of America Care); Series 2007 A, Health & Residential Care Facilities RB	5.25%	07/01/27	420	372,910
Series 2007 A, Health & Residential Care Facilities RB	5.30%	07/01/37	650	538,635
Colorado (State of) Regional Transportation District (Denver Transit Partners Eagle P3); Series 2010, Private Activity RB	6.50%	01/15/30	1,850	2,034,833
Series 2010, Private Activity RB	6.00%	01/15/34	1,500	1,586,010
Series 2010, Private Activity RB	6.00%	01/15/41	700	736,232
Denver (City & County of); Series 2012 B, Airport System RB	5.00%	11/15/37	2,500	2,623,125
Series 2013 A, Sub. Airport System RB ^(c)	5.25%	11/15/43		