

# Allianz Global Investors Solutions Core Allocation Fund

## Description

Seeks long-term capital appreciation and current income

## Fund Inception Date

September 30, 1998

## Total Fund Assets (in millions)

\$195.9

## Management Firm

Allianz Global Investors Solutions (AGIS)

## Portfolio Managers

Stephen Sexauer & Paul Pietranico

## Dividend Frequency

At Least Quarterly

## Symbol / CUSIP

	Symbol	CUSIP Number
A Shares	PALAX	01900C771
B Shares	PALBX	01900C763
C Shares	PALCX	01900C755
R Shares	AGARX	01900C813

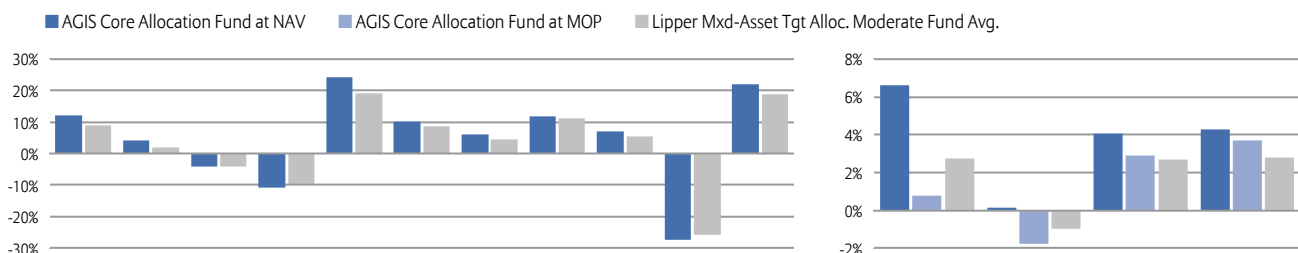
## Fund Highlights

- A comprehensive solution for investors with an intermediate term time horizon and moderate risk tolerance.
- Designed to provide investors with a balance of capital growth potential and current income, both on an inflation-adjusted basis.
- Broadly diversified, with the ability to invest in international markets, inflation-hedging assets and alternatives.
- Rigorous risk management and access to a wide range of Allianz Global Investors funds within a single portfolio.

## Portfolio Analysis

Top 10 PIMCO and Allianz Stock Funds as of 8/31/09		PIMCO Bond Funds as of 8/31/09		Investment Breakdown as of 8/31/09	
NACM Emerging Markets II	5.42%	PIMCO Total Return	15.92%	Common Stocks	40.65%
NFI Large-Cap Value	5.04%	PIMCO Real Return	9.88%	Bonds	49.34%
RCM Large-Cap Growth	4.98%	PIMCO CommodityRealReturn Strategy	4.84%		
NACM Income & Growth	4.64%	PIMCO RealEstateRealReturn Strategy	4.27%		
NACM International Growth III	4.44%	PIMCO Diversified Income	3.76%		
RCM International Opportunities	3.21%	PIMCO Emerging Markets Bond	3.69%		
RCM Disciplined Equity	3.11%	PIMCO Investment Grade Corporate Bond	3.55%		
NFI International Value	3.10%	PIMCO Foreign Bond (U.S. Dollar-Hedged)	2.89%		
NACM International Systematic III	2.42%	PIMCO Short-Term	0.54%		
NFI Renaissance	2.17%	Total Bond Funds	49.34%		

## Performance Analysis



## Calendar Year Returns

	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08	YTD
Allianz Fund at NAV	12.0%	4.3%	-3.8%	-10.5%	24.3%	10.3%	6.2%	11.7%	7.1%	-27.1%	22.0%
Allianz Fund at MOP											
Lipper Mxd-Asset Tgt Alloc. Moderate Fund Avg.	9.1%	1.8%	-3.8%	-9.3%	19.3%	8.7%	4.6%	11.3%	5.5%	-25.5%	18.9%
Blended Index <sup>2</sup>	13.0%	-0.9%	-4.5%	-8.5%	20.9%	10.0%	6.0%	12.4%	7.4%	-23.4%	17.0%
Barclays Capital U.S. Aggregate Index	-0.8%	11.6%	8.4%	10.3%	4.1%	4.3%	2.4%	4.3%	7.0%	5.2%	5.7%
Russell 3000 Index	20.9%	-7.5%	-11.5%	-21.5%	31.0%	11.9%	6.1%	15.7%	5.1%	-37.3%	21.2%
60% MSCI World/40% Barclays Capital U.S. Agg. Index	13.0%	-7.4%	-9.1%	-5.9%	25.2%	12.9%	4.6%	15.1%	10.9%	-25.9%	19.5%

## Average Annual Returns

	1-yr	3-yr	5-yr	10-yr
Allianz Fund at NAV	6.64%	0.16%	4.05%	4.27%
Allianz Fund at MOP	0.77%	-1.71%	2.88%	3.68%
Lipper Mxd-Asset Tgt Alloc. Moderate Fund Avg.	2.73%	-0.92%	2.70%	2.80%
Blended Index <sup>2</sup>	2.65%	0.44%	4.20%	3.78%
Barclays Capital U.S. Aggregate Index	10.56%	6.41%	5.13%	6.30%
Russell 3000 Index	-6.42%	-5.06%	1.57%	0.73%
60% MSCI World/40% Barclays Capital U.S. Agg. Index	5.35%	1.43%	5.39%	3.78%

If this material is used after 12/31/09, it must be accompanied by the most recent Performance Supplement.

Performance quoted represents past performance. Past performance is no guarantee of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit our Web site at [www.allianzinvestors.com](http://www.allianzinvestors.com). The MOP returns take into account the 5.5% maximum initial sales charge. The Fund's gross expense ratio is 2.07%, which does not include an expense reduction, contractually guaranteed through at least 3/31/10. The Fund's expense ratio net of this reduction is 1.32%.

## Best / Worst Return

	Best	Worst
3-month (ended)	21.24% (5/31/09)	-23.57% (11/30/08)
1-yr (ended)	31.65% (3/31/04)	-31.49% (2/28/09)
3-yr (ended)	15.88% (3/31/06)	-9.03% (2/28/09)

Performance assumes reinvestment of dividends and capital gains distributions. Taxes on distributions or redemptions have not been deducted. The Lipper, Inc. Lipper Average is based on total return, with distributions reinvested and operating expenses deducted, though not reflecting sales charges. Fund classes share the same portfolio, but have different investment minimums and different fees and expenses.

1. Standard Deviation, Beta and R<sup>2</sup> are calculated by IDS GmbH-Analysis and Reporting Services, an investment analysis and reporting service which is a subsidiary of Allianz SE. 2. Blended Index: 48% Russell 3000 / 12% MSCI AC World ex-U.S. / 40% BCAG Index.

# Allianz Global Investors Solutions Core Allocation Fund

## Portfolio Management

### Allianz Global Investors Solutions (AGIS)

Allianz Global Investors Solutions, a U.S.-registered investment advisor, provides solution-oriented investment strategies, with portfolios designed and managed to meet the specific and complex needs of its clients.

### Portfolio Managers

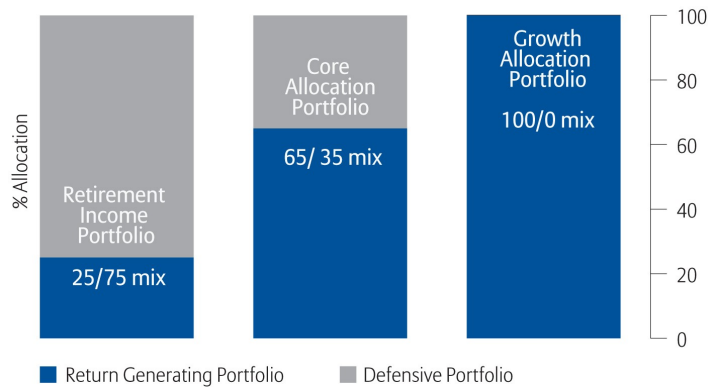
**Stephen Sexauer** has been a managing director for Allianz Global Investors and a portfolio manager at Nicholas-Applegate Capital Management. He earned an MBA from the University of Chicago and a BS from the University of Illinois.

**Paul Pietranico**, a CFA, has been the director of investment manager due diligence, risk analysis and performance reporting teams for Allianz Global Investors. He holds a BS in physics, an MA in philosophy of science and an MS in engineering economics, all from Stanford University.

## Investment Process

Allianz Global Investors Solutions Target-Risk Funds seek to maximize real (after-inflation) wealth accumulation to retirement and provide real income in retirement, while mitigating the effects of adverse market environments. Each Fund targets a distinct level of risk through a strategic balance of return-generating and defensive assets. The key components to the process are: (1) allocation between return-generating and defensive assets, based on sophisticated lifecycle modeling; (2) strategic allocation (“beta”) of underlying asset classes, including the ability to make short-term (tactical) adjustments as values warrant; (3) harnessing outperformance potential (alpha) of Allianz Global Investors; and (4) risk management, including selection and oversight of asset classes, and regular monitoring and rebalancing.

Allocation to Return Generating and Defensive Asset Portfolio



*Investors should consider the investment objectives, risks, charges and expenses of this Fund carefully before investing. This and other information are contained in the Fund's prospectus, which may be obtained by contacting your financial advisor, by visiting [www.allianzinvestors.com](http://www.allianzinvestors.com) or by calling 1-888-877-4626. Please read this prospectus carefully before you invest or send money.*

**Past performance is no guarantee of future results.** All data is as of 9/30/09 unless otherwise indicated. Holdings are subject to change. The portfolio's performance will depend on how its assets are allocated among the constituent Funds, which will vary. The Fund will be subject to the risks associated with the constituent Funds, which may include the following at different times and to different degrees. Investing in smaller companies may entail greater risk than investing in larger companies, including higher volatility. Investing in non-U.S. securities may entail greater risk due to foreign economic and political developments; this risk may be enhanced when investing in emerging markets. High-yield bonds generally involve a greater risk to principal than higher rated bonds. The underlying funds may at times invest in mortgage-related securities, and may use derivative instruments for hedging purposes or as part of an investment strategy. Mortgage-backed securities are subject to prepayment risk and may be sensitive to changes in prevailing interest rates. When interest rates rise, the value of fixed-income securities generally declines. Use of derivative instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund could not close out a position when it would be most advantageous to do so. Portfolios investing in derivatives could lose more than the principal amount invested in those instruments. The cost of investing in the Fund will generally be higher than the cost of investing in a fund that invests directly in individual stocks and bonds.

Effective November 1, 2009, Class B shares of Allianz Funds and PIMCO Funds will no longer be available for purchase, except through exchanges and dividend reinvestments.

The Blended Index represents the blended performance of a hypothetical index developed by the Adviser made up of 48% Russell 3000 Index, 12% MSCI All Country World ex-U.S. Index and 40% Barclays Capital U.S. Aggregate Bond Index. The Russell 3000 Index and the Barclays Capital U.S. Aggregate Bond Index are described below. The MSCI All Country World ex-U.S. Index is an unmanaged index of stocks representing both developed and emerging markets but excluding the United States. The Barclays Capital U.S. Aggregate Index is an unmanaged index of investment-grade, U.S. dollar-denominated fixed-income securities of domestic issuers having a maturity greater than one year. The Russell 3000 Index is an unmanaged index of the 3,000 largest U.S. companies based on total market capitalization. The benchmark is a blend of 60% MSCI World Index and 40% Barclays Capital U.S. Aggregate Index. The Morgan Stanley Capital International (MSCI) World Index is a free-float-adjusted market capitalization index which is designed to measure global developed market equity performance. The Barclays Capital U.S. Aggregate Index is composed of securities from the Barclays Capital Government/Credit Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index. It is generally considered to be representative of the domestic, investment-grade, fixed-rate, taxable bond market. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an index.

Standard deviation is an absolute measure of volatility measuring dispersion about an average which, for a mutual fund, depicts how widely the returns varied over a certain period of time.

Beta measures the market-related volatility of a portfolio, where the overall market is represented by the unmanaged index which is the fund's official benchmark in its prospectus. The beta of the market is 1 by definition. A beta greater than 1 indicates that a portfolio's market risk is greater than the overall market's, while a beta less than 1 indicates a lower market risk. Low market risk does not necessarily imply low volatility. A portfolio may have a low beta while experiencing volatility due to factors independent of the market.

R-Squared measures the degree to which portfolio returns are attributable to returns from the market generally, as measured by the unmanaged index which is the fund's official benchmark in its prospectus. The lower the R-Squared, the lower the correlation between the portfolio and the index, and the less reliable beta is as a measure of volatility. An R-Squared of 1.0 represents perfect correlation in returns between the portfolio and the market; an R-Squared of 0 represents no correlation.

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