

# Allianz NACM International Fund

## Description

Seeks maximum long-term capital appreciation

## Fund Inception Date\*

May 7, 2001

## Total Fund Assets (in millions)

\$142.6

## Management Firm

Nicholas-Applegate Capital Management (NACM)

## Portfolio Managers

Steven Tael & Kunal Ghosh

## Dividend Frequency

At Least Annually

## Symbol / CUSIP

	Symbol	CUSIP Number
A Shares	PNIAAX	018919308
C Shares	PNICX	018919316
R Shares	ANIRX	018920785

## Investment Style / Market Cap



Investment Style:  
Blend  
Market Capitalization:  
Large

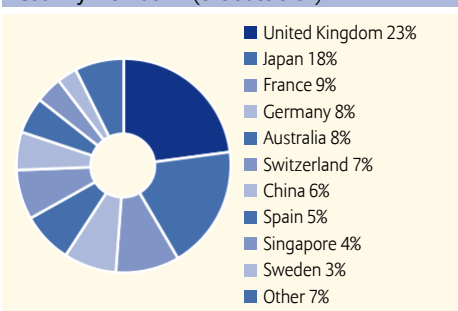
## Fund Highlights

- Investment process identifies companies experiencing positive fundamental change that is sustainable and just beginning to be recognized in the market.
- Systematic investment process combines quantitative stock selection with a disciplined confirmation process.
- Proprietary International Equity Model integrates stock selection decisions to create a portfolio that is well diversified across countries, industries and currencies.

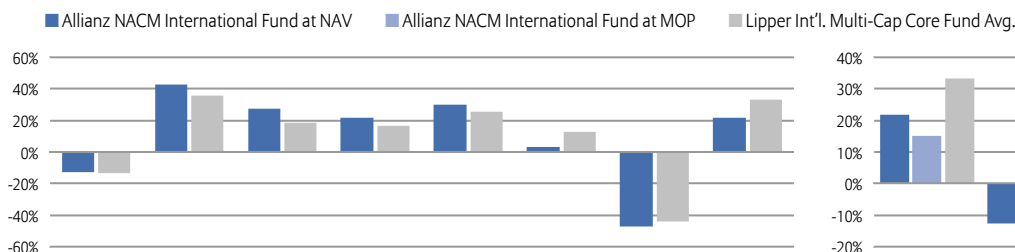
## Portfolio Analysis

Top Ten Holdings as of 11/30/09		Statistics	
BANCO SANTANDER SA (Spain)	3.5%	P/E Ratio	13.0
CREDIT SUISSE GRP AG (Switz.)	2.6%	P/B Ratio	1.7
BNP PARIBAS (France)	2.5%	Median Market Cap (in billions)	17.8
CMNWLTB BK OF AUST (Astrl.)	2.4%	Stocks in Portfolio	118
SANOFI AVENTIS (France)	2.4%	Foreign Holdings (%)	98.2
ROYAL DUTCH SHELL (U.K.)	2.2%	Cash (%)	1.8
TELEFONICA SA (Spain)	2.2%	Standard Deviation <sup>1</sup>	24.64
TOTAL SA (France)	2.1%	Beta <sup>1</sup>	1.02
ENEL (Italy)	2.0%	R <sup>2</sup> <sup>1</sup>	0.95
BP PLC (U.K.)	2.0%		
<b>Total</b>	<b>23.9%</b>		

## Country Breakdown (excludes cash)



## Performance Analysis



## Calendar Year Returns

	'02	'03	'04	'05	'06	'07	'08	'09
Allianz Fund at NAV	-11.8%	42.6%	27.5%	22.0%	30.3%	3.3%	-46.2%	21.8%
Allianz Fund at MOP	-12.5%	35.5%	18.4%	16.3%	25.6%	12.6%	-43.4%	33.3%
Lipper Int'l. Multi-Cap Core Fund Avg.	-12.5%	35.5%	18.4%	16.3%	25.6%	12.6%	-43.4%	33.3%
MSCI EAFE Index	-15.9%	38.6%	20.2%	13.6%	26.4%	11.2%	-43.4%	31.8%

If this material is used after 3/31/10, 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 expense ratio is 1.38%. Visit [www.allianzinvestors.com](http://www.allianzinvestors.com) to find out if this Fund's expenses are being subsidized.

## Average Annual Returns

	1-yr	3-yr	5-yr	Inception
Allianz Fund at NAV	21.80%	-12.16%	1.50%	5.19%
Allianz Fund at MOP	15.10%	-13.81%	0.36%	4.51%
Lipper Int'l. Multi-Cap Core Fund Avg.	33.31%	-5.55%	4.25%	5.28%
MSCI EAFE Index	31.78%	-6.04%	3.54%	4.12%

## Best / Worst Return

	Best	Worst
3-month (ended)	32.37% (5/31/09)	-37.20% (10/31/08)
1-yr (ended)	66.39% (3/31/04)	-52.65% (10/31/08)
3-yr (ended)	39.65% (3/31/06)	-19.05% (2/28/09)

\* This is the inception date of a predecessor fund, which was reorganized into the Fund on 10/15/04. The returns presented are for A shares of the Fund, which were first offered on 10/16/04. The returns for the period prior to the reorganization are based on the historical performance of the predecessor fund's Institutional shares, adjusted to reflect the Fund's A shares' different charges and expenses. Index and Lipper performance comparisons begin on 4/30/01.

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.

# Allianz NACM International Fund

## Portfolio Management

### Nicholas-Applegate Capital Management (NACM)

Nicholas-Applegate believes that investing in companies undergoing positive change with sustainable characteristics and timely market recognition will result in outstanding investment performance. This investment approach is supported by a foundation of academic research in behavioral finance indicating that investors react inefficiently to changing information. This market inefficiency presents mispricing opportunities that the firm capitalizes on to earn excess return.

### Portfolio Managers

**Steven Tael** is a Vice President and Portfolio Manager at Nicholas-Applegate. Before joining the firm in 2005, Mr. Tael was a Research Analyst at Mellon Capital Management and a Systems Engineer for Bank of America. He holds a Ph.D. in applied mathematics and statistics from the SUNY at Stony Brook.

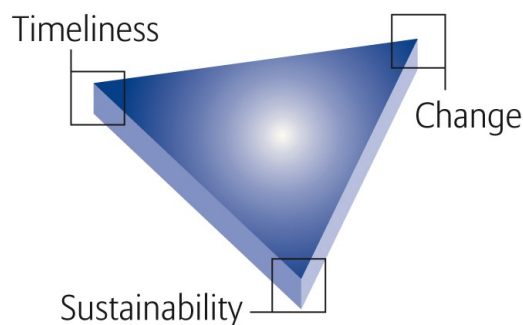
**Kunal Ghosh** joined NACM as a Senior Vice President and Portfolio Manager in 2006. Prior to that Mr. Ghosh was a Portfolio Manager at Barclays Global Investors and a Quantitative Analyst for the Cayuga Hedge Fund. He also worked for several years as an engineer at Delphi Corporation.

## Investment Process

- Investment universe is comprised of 2,300 stocks located within non-U.S. developed markets around the world.
- Through a dynamic set of quantitative factors, NACM's international equity model identifies investment opportunities based on their prospects for positive change, sustainability and timeliness.
- The resultant model recommendations are reviewed by the portfolio management team to confirm the investment thesis.
- Proprietary optimization techniques are utilized in an effort to construct a portfolio that balances the trade-off between risk and reward.

### Emphasis on Change

The management team seeks to identify companies exhibiting signs of positive change, sustainable growth and timely market recognition.



*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 12/31/09 unless otherwise indicated. Holdings are subject to change. The Fund will normally invest its assets in the securities of companies located in developed countries outside the U.S. Investing in non-U.S. securities may entail risk due to foreign economic and political developments. The Fund may also invest a percentage of its assets in U.S. companies. This Fund may use derivative instruments for hedging purposes or as part of its investment strategy. Use of these 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 Morgan Stanley Capital International Europe Australasia Far East (MSCI EAFE) Index is a widely recognized, unmanaged index of issuers located in the countries of Europe, Australia, and the Far East. Prior to 11/1/06, performance data for the MSCI Index was calculated gross of dividend tax withholding. Performance data presently shown for the Index is net of dividend tax withholding. This recalculation results in lower performance for the Index. 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.

P/E is a ratio of security price to earnings per share. P/B is a ratio of the current stock price to the book value. Typically, an undervalued security is characterized by a low P/E or P/B ratio, while an overvalued security is characterized by a high P/E or P/B ratio. 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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