

# Allianz NFJ Mid-Cap Value Fund

## Description

Seeks long-term growth of capital and income

## Fund Inception Date\*

August 21, 2006

## Total Fund Assets (in millions)

\$9.9

## Management Firm

NFJ Investment Group

## Portfolio Managers

Jeffrey Partenheimer, Ben Fischer & Thomas Oliver

## Dividend Frequency

Quarterly

## Symbol / CUSIP

	Symbol	CUSIP Number
A Shares	ANVAX	018920587
C Shares	ANVCX	018920579

## Investment Style / Market Cap

V	B	G	L	Investment Style:
■	■	■	■	Value
■	■	■	■	Market Capitalization:
■	■	■	■	Medium

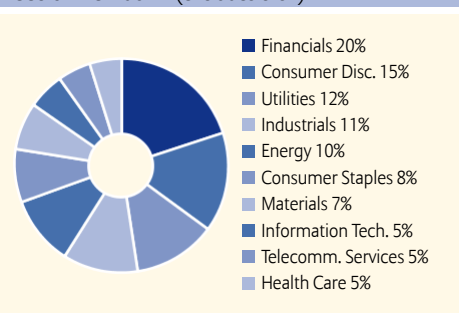
## Fund Highlights

- Members of the Portfolio Management Team adhere to a strict value discipline, seeking fundamentally sound companies seen as undervalued.
- Employs a disciplined investment process that combines quantitative stock screening with fundamental research.
- Broad industry diversification may help reduce risk.

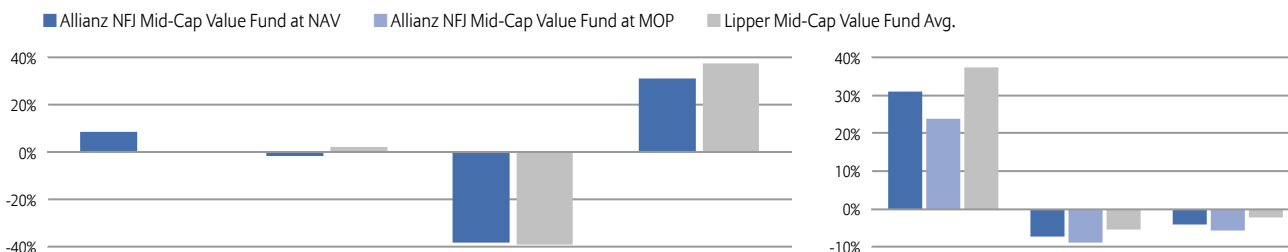
## Portfolio Analysis

Top Ten Holdings as of 11/30/09		Statistics	
HARLEY DAVIDSON INC (HOG)	2.9%	P/E Ratio	12.6
DONNELLEY R R + SONS (RRD)	2.9%	P/B Ratio	1.6
MCKESSON CORP (MCK)	2.8%	Median Market Cap (in billions)	4.6
YAMANA GOLD INC (Canada)	2.7%	Stocks in Portfolio	41
RADIOSHACK CORP (RSH)	2.7%	Foreign Holdings (%)	6.8
CIMAREX ENERGY CO (XEC)	2.7%	Cash (%)	1.5
CENTURYTEL INC (CTL)	2.6%	Standard Deviation <sup>1</sup>	27.73
AVERY DENNISON CORP (AVY)	2.6%	Beta <sup>1</sup>	1.09
HOSPITALITY PPTYS TR (HPT)	2.6%	R <sup>2</sup> <sup>1</sup>	0.96
NEXEN INC (Canada)	2.5%		
<b>Total</b>	<b>27.0%</b>		

## Sector Breakdown (excludes cash)



## Performance Analysis



## Calendar Year Returns

	'06 <sup>2</sup>	'07	'08	'09
Allianz Fund at NAV	8.5%	-1.1%	-37.7%	30.9%
Allianz Fund at MOP	-	2.2%	-38.5%	37.3%
Lipper Mid-Cap Value Fund Avg.	-	2.2%	-38.5%	37.3%
Russell Midcap Value Index	-	-1.4%	-38.4%	34.2%

## Average Annual Returns

	1-yr	3-yr	Inception
Allianz Fund at NAV	30.87%	-6.93%	-3.90%
Allianz Fund at MOP	23.69%	-8.66%	-5.49%
Lipper Mid-Cap Value Fund Avg.	37.29%	-5.25%	-2.06%
Russell Midcap Value Index	34.21%	-6.62%	-3.28%

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 1.27%. Visit [www.allianzinvestors.com](http://www.allianzinvestors.com) to find out if this Fund's expenses are being subsidized.

## Best / Worst Return

	Best	Worst
3-month (ended)	35.50% (5/31/09)	-37.26% (11/30/08)
1-yr (ended)	34.65% (11/30/09)	-51.06% (2/28/09)
3-yr (ended)	-6.43% (9/30/09)	-8.54% (10/31/09)

\* Index and Lipper performance comparisons begin on 8/31/06.

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. Cumulative return over a partial year.

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## Portfolio Management

### NFJ Investment Group

NFJ Investment Group employs a deep value equity investment style that focuses on both income and capital appreciation potential. NFJ's investment professionals, who have an average of nearly 20 years of investment experience, follow a disciplined investment process that emphasizes broad industry diversification and dividend income. Grounded in in-depth research and analysis, this process enables NFJ to identify stocks with attractive valuations and strong long-term growth potential while managing total portfolio risk.

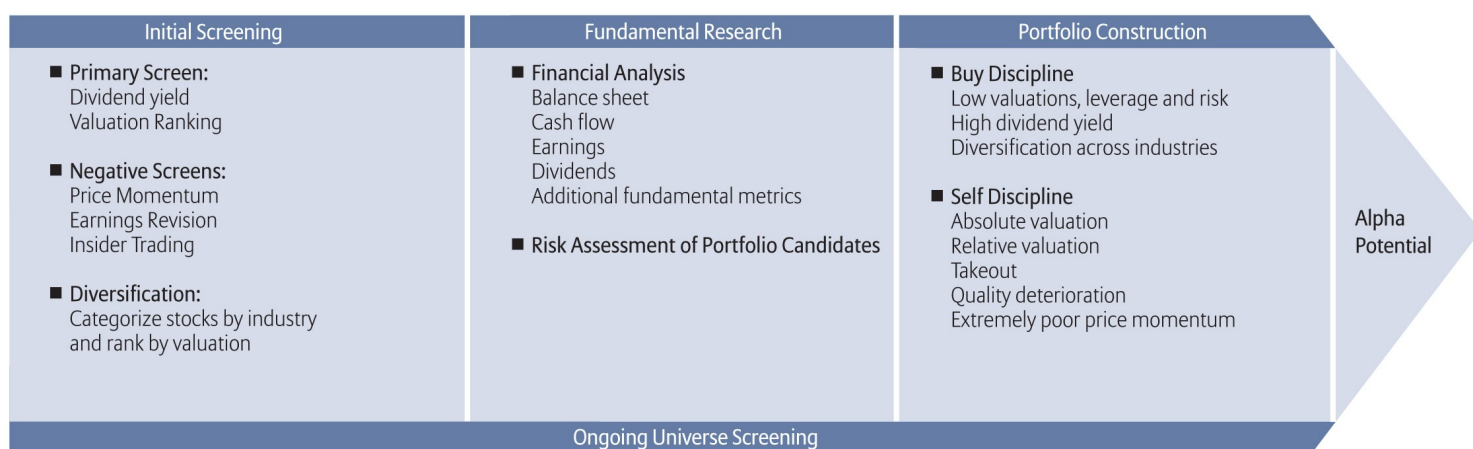
### Portfolio Managers

**Jeffrey Partenheimer**, CFA and CPA, is a Managing Director and Portfolio Manager at NFJ with more than 20 years of experience in portfolio management and commercial banking.

**Ben Fischer** CFA, is a founder and Managing Director at NFJ Investment Group with more than 40 years of value investing experience.

**Thomas Oliver** CFA and CPA, is a Portfolio Manager who joined NFJ in 2005. He previously worked at Perot Systems and Deloitte & Touche.

## Investment Process



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 primarily in common stocks of companies with medium market capitalizations. Investments medium-sized companies may entail greater risk than larger companies, including higher volatility. The Fund may use various derivative instruments 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. Diversification does not assure a profit or protect against loss.

The Russell Midcap Value Index is an unmanaged index that measures the performance of medium capitalization companies in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values. 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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