

# PIMCO Emerging Markets Bond Fund

## Description

Seeks maximum total return, consistent with preservation of capital and prudent investment management

## Fund Inception Date

July 31, 1997

## Total Fund Assets (in millions)

\$2,727.5

## Management Firm

PIMCO (Pacific Investment Management Company)

## Portfolio Manager

Curtis Mewbourne

## Dividend Frequency

Monthly

## Symbol / CUSIP

	Symbol	CUSIP Number
A Shares	PAEMX	693391575
B Shares	PBEMX	693391583
C Shares	PEBCX	693391591

## Maturity / Quality

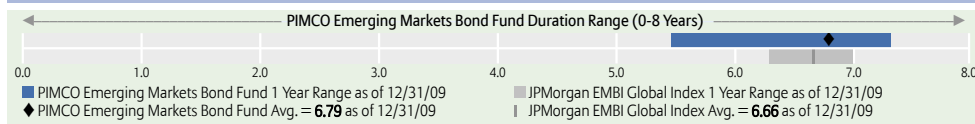
S	I	L	H	Maturity:
■	■	■	■	Intermediate
■	■	■	■	Quality:
■	■	■	■	Medium

## Fund Highlights

- Takes a relatively conservative approach to emerging markets debt, investing primarily in intermediate term bonds and higher quality issues to help temper risk; only 15% of assets may be invested in securities rated below B.
- Invests primarily in U.S.-dollar denominated intermediate-term bonds.
- Taps into the PIMCO emerging market team's considerable experience, market presence and expertise.

## Portfolio Analysis

### Duration



### Top Countries

Brazil	28%
Russia	19%
Mexico	15%
Colombia	7%
Philippines	7%
Indonesia	6%
Panama	6%

### Maturity

1-3 Years	7%
3-5 Years	14%
5-10 Years	49%
10-20 Years	19%
20+ Years	11%
Average Maturity	10.61 Years
Average Duration	6.81 Years

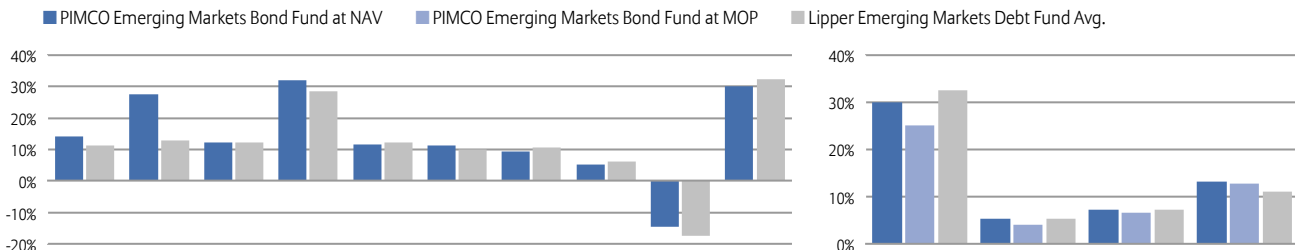
### Quality<sup>1</sup>

AAA	2%
AA	2%
A	7%
BBB	62%
BB	25%
B	2%
Average Quality	BBB-

### Statistics

Standard Deviation <sup>2</sup>	13.56
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## Performance Analysis



### Calendar Year Returns

	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09
PIMCO Fund at NAV	14.1%	27.6%	12.4%	32.0%	11.8%	11.3%	9.3%	5.2%	-14.3%	30.0%
PIMCO Fund at MOP										
Lipper Emerging Markets Debt Fund Avg.	11.2%	13.0%	12.4%	28.4%	12.3%	10.0%	10.6%	6.0%	-17.1%	32.5%
JPMorgan EMBI Global Index	14.4%	1.4%	13.1%	25.6%	11.7%	10.7%	9.9%	6.3%	-10.9%	28.2%

### Average Annual Returns

	1-yr	3-yr	5-yr	10-yr
PIMCO Fund at NAV	30.02%	5.42%	7.35%	13.16%
PIMCO Fund at MOP	25.15%	4.09%	6.53%	12.73%
Lipper Emerging Markets Debt Fund Avg.	32.49%	5.37%	7.23%	11.09%
JPMorgan EMBI Global Index	28.18%	6.66%	8.10%	10.52%

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 3.75% maximum initial sales charge. The Fund's expense ratio is 1.28%. 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)	22.37% (11/30/98)	-29.23% (8/31/98)
1-yr (ended)	46.05% (9/30/03)	-28.56% (8/31/98)
3-yr (ended)	26.80% (8/31/01)	-2.56% (10/31/08)

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. The letter ratings are provided to indicate the creditworthiness of the underlying bonds in the portfolio and generally range from AAA (highest) to D (lowest). Ratings do not apply to the fund. 2. Standard Deviation is calculated by IDS GmbH-Analysis and Reporting Services, an investment analysis and reporting service which is a subsidiary of Allianz SE.

# PIMCO Emerging Markets Bond Fund

## Portfolio Management

### PIMCO (Pacific Investment Management Company)

Founded in 1971 and based in Newport Beach, California, PIMCO is a leading institutional investment firm with a client list that includes many of the largest companies in the United States. PIMCO is one of the most respected names in fixed-income management, due in large part to its total return approach to bond investing and strong long-term performance record. While renowned for its bond management expertise, PIMCO has also developed a range of innovative investment strategies to offer investors access to other asset classes, including stocks, commodities and real estate. In recent years, the firm has expanded its global operations and today has offices in cities such as London, Munich, Singapore, Sydney and Tokyo.

### Portfolio Manager



Curtis Mewbourne

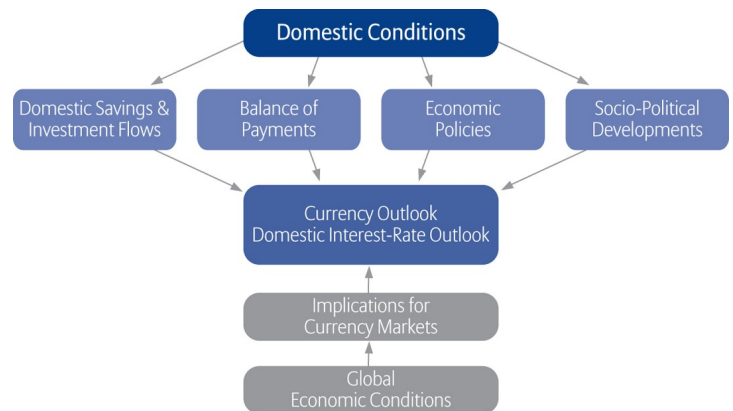
Mr. Mewbourne is a Managing Director, portfolio manager and co-head of the emerging markets portfolio management team. Mr. Mewbourne has many years of trading experience in credit markets. He began his career in finance at Lehman Brothers in 1992 as a market maker for emerging market debt. Prior to joining PIMCO in 1999, Mr. Mewbourne ran Salomon Brothers emerging market trading desk in London. Mr. Mewbourne manages various portfolios and CDOs in Total Return and credit strategies including global investment grade, high yield and emerging markets. Mr. Mewbourne holds an engineering degree in computer science from the University of Pennsylvania.

## Investment Process

The top-down investment process begins with PIMCO's annual Secular Forum at which the firm develops a 3- to 5-year outlook for the global economy and interest rates. This helps set the basic portfolio parameters, including duration, yield-curve positioning, sector weightings, credit quality breakdown and finally, individual issue selection. The manager is guided by risk-adjusted, real yields. Markets are ranked by their relevant country risk and each ranking is compared to the real yields to determine which countries have the best risk-adjusted yield. Currency allocations are determined according to short-term yields, market trends or technical factors and fundamental analysis focused on measures of relative purchasing power. The manager's goal is to identify not only which countries to overweight or underweight, but also where on each country's yield curve the Fund should take an exposure. The manager may at times use derivatives to replicate bond positions. This strategy can offer the opportunity to outperform physical bond securities due to the relative pricing of the derivatives contracts and PIMCO's active management of the collateral backing the derivatives.

### An Exhaustive Research Process

PIMCO's approach to country selection takes into account a wide variety of variables.



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. This Fund will normally invest its assets in issuers that are economically tied to emerging market countries. 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. The Fund may also invest its assets in high-yield securities. High-yield bonds typically have a lower credit rating than other bonds. Lower rated bonds generally involve a greater risk to principal than higher rated bonds. 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. This Fund is non-diversified, which means that it may concentrate its assets in a smaller number of issuers than a diversified fund.

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

The JPMorgan Emerging Markets Bond Index Global is an unmanaged index which tracks the total return of U.S.-dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities. 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. The credit quality of the investment in the portfolio does not apply to the stability or safety of the portfolio. Duration is a measure of a portfolio's price sensitivity expressed in years. When interest rates rise, bond prices generally fall; bonds of longer duration tend to be more sensitive to changes in interest rates, usually making them more volatile than fixed-income securities of shorter duration.

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