

# PIMCO Global Bond Fund (U.S. Dollar-Hedged)

## Description

Seeks maximum total return, consistent with preservation of capital

## Fund Inception Date

October 2, 1995

## Total Fund Assets (in millions)

\$200.0

## Management Firm

PIMCO (Pacific Investment Management Company)

## Portfolio Manager

Scott Mather

## Dividend Frequency

Monthly

## Symbol / CUSIP

|          | Symbol | CUSIP Number |
|----------|--------|--------------|
| A Shares | PAIIX  | 693390346    |
| B Shares | PBIIX  | 693390338    |
| C Shares | PCIIX  | 693390320    |

## Maturity / Quality

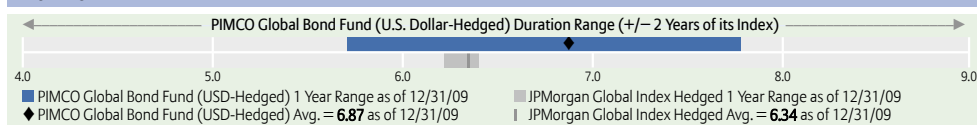
|   |   |   |   |              |
|---|---|---|---|--------------|
| S | I | L | H | Maturity:    |
| ■ | ■ | ■ | ■ | Intermediate |
| ■ | ■ | ■ | ■ | Quality:     |
| ■ | ■ | ■ | ■ | High         |

## Fund Highlights

- Invests in both U.S. and non-U.S. high-quality intermediate-term bonds. As over half of the world's fixed-income securities are issued outside of the U.S., the Fund can add diversification to a bond portfolio.
- Tempers risk by investing primarily in investment-grade bonds and hedging at least 80% of its foreign currency exposure to protect against unfavorable currency fluctuations.

## Portfolio Analysis

### Duration



### Top Countries

|                |     |
|----------------|-----|
| United States  | 28% |
| Japan          | 21% |
| Germany        | 16% |
| France         | 13% |
| United Kingdom | 7%  |
| Europe         | 4%  |
| Netherlands    | 4%  |

### Maturity

|                  |            |
|------------------|------------|
| <1 Year          | 24%        |
| 1-3 Years        | 17%        |
| 3-5 Years        | 16%        |
| 5-10 Years       | 21%        |
| 10-20 Years      | 11%        |
| 20+ Years        | 11%        |
| Average Maturity | 6.58 Years |
| Average Duration | 6.15 Years |

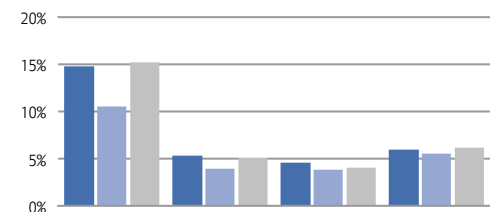
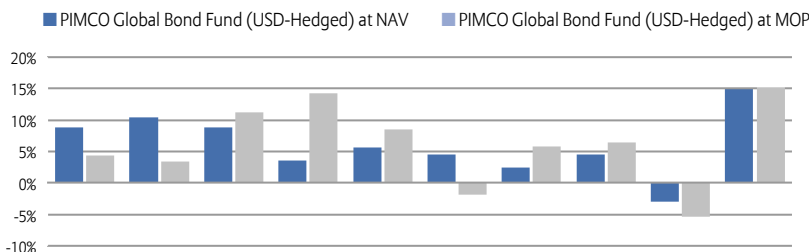
### Quality<sup>1</sup>

|                 |     |
|-----------------|-----|
| AAA             | 85% |
| AA              | 11% |
| A               | 7%  |
| BBB             | -8% |
| BB              | 1%  |
| B               | 1%  |
| <B              | 3%  |
| Average Quality | AA+ |

### Statistics

|                                 |      |
|---------------------------------|------|
| Standard Deviation <sup>2</sup> | 5.62 |
|---------------------------------|------|

## Performance Analysis



### Calendar Year Returns

|                                | '00   | '01   | '02   | '03   | '04  | '05   | '06  | '07  | '08   | '09   |
|--------------------------------|-------|-------|-------|-------|------|-------|------|------|-------|-------|
| PIMCO Fund at NAV              | 8.8%  | 10.4% | 8.9%  | 3.5%  | 5.7% | 4.6%  | 2.5% | 4.6% | -2.7% | 14.8% |
| PIMCO Fund at MOP              |       |       |       |       |      |       |      |      |       |       |
| Lipper Global Income Fund Avg. | 4.4%  | 3.5%  | 11.2% | 14.3% | 8.6% | -1.7% | 5.9% | 6.5% | -5.3% | 15.2% |
| JPMorgan Global Index Hedged   | 10.8% | 6.2%  | 8.4%  | 2.1%  | 4.9% | 5.0%  | 3.1% | 6.0% | 9.4%  | 0.7%  |

### Average Annual Returns

|                                | 1-yr   | 3-yr  | 5-yr  | 10-yr |
|--------------------------------|--------|-------|-------|-------|
| PIMCO Fund at NAV              | 14.85% | 5.32% | 4.60% | 6.00% |
| PIMCO Fund at MOP              | 10.54% | 3.98% | 3.81% | 5.59% |
| Lipper Global Income Fund Avg. | 15.23% | 5.16% | 4.10% | 6.18% |
| JPMorgan Global Index Hedged   | 0.72%  | 5.32% | 4.80% | 5.61% |

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 1.45%. 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) | 7.41%<br>(9/30/09)   | -8.01%<br>(11/30/08) |
| 1-yr (ended)    | 20.13%<br>(11/30/09) | -6.14%<br>(2/28/09)  |
| 3-yr (ended)    | 10.31%<br>(10/31/98) | 0.36%<br>(11/30/08)  |

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.

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## 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



Scott Mather

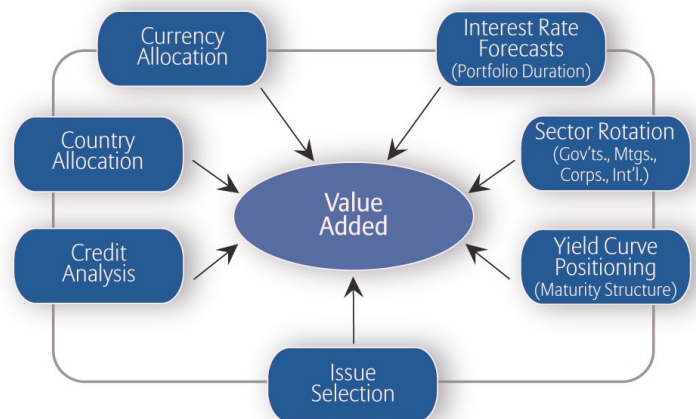
Mr. Mather is a Managing Director, a member of PIMCO's investment committee and head of global portfolio management. Previously, he led portfolio management in Europe. Prior to that role, Mr. Mather co-headed PIMCO's MBS and ABS team. Before joining PIMCO in 1998, he was a fixed-income trader specializing in MBS at Goldman Sachs in New York. He has over a decade of investment experience and holds a master's degree in engineering, as well as undergraduate degrees, 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 concentration, and credit quality. The Fund's top-down strategy begins with a country bond allocation model that helps determine which countries have the best risk-adjusted yield. Currency allocations are determined according to short-term yields, market trends, technical factors and fundamental analysis focused on measures of relative purchasing power. The bottom-up strategy of the Fund includes credit research, which stresses fundamental and in-depth analysis of all holdings. The Fund 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 of the derivatives.

### Value-Added Approach

PIMCO seeks to add value through a variety of techniques that attempt to maximize return without adding significantly to overall portfolio volatility.



*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 may invest its assets in three countries (one of which may be the U.S.), a portion of assets in high-yield securities, and may at times invest in mortgage-related securities. Investing in non-U.S. securities may entail risk due to foreign economic and political developments; this risk may be enhanced when investing in emerging markets. 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. 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. 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 Global Index (hedged) is an unmanaged market index representative of the total return performance, on a hedged basis, of major world bond markets. It is calculated in U.S. dollars. 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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