CORE BOND FUND | 12/31/09 QUARTERLY REVIEW

A Shares: PTLAX
B Shares: PTLBX
C Shares: PTLCX
R Shares: PLDRX

PIMCO Low Duration Fund

Allianz Global Investors

A conservative core bond investment

Focused on shorter-term securities, PIMCO Low Duration Fund is a solid, core bond investment that provides broad market exposure. Following PIMCO's signature total return philosophy and process, it employs a variety of strategies to enhance return potential and help reduce overall portfolio risk.

Why invest in this fund?

Greater return potential than shorter-term bond funds

Because of its 1 to 3-year duration range, the Fund typically offers a yield advantage over money market or short-term bond funds. The Fund also uses multiple value-added strategies—such as credit analysis and sector emphasis—in an effort to enhance returns and manage risk. This approach has helped the Fund deliver solid short- and long-term results.

Lower potential volatility than longer-term bond funds

Historically, PIMCO Low Duration Fund has been less volatile than intermediate- or long-term bond funds. In addition, the fund has generated a positive return over every 2-year period in its history. Of course, the Fund may not generate the return potential of longer-term bonds and may also be more volatile than money market funds.

Managed by one of the world's foremost fixed-income investors

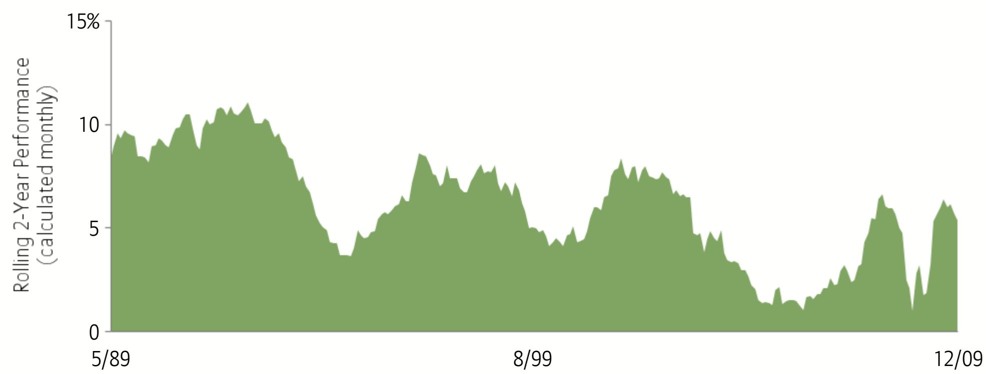
The Fund is managed by Bill Gross, founder and co-CIO of PIMCO and widely acknowledged as one of the world's most successful fixed income investors. He and his extensive team have won Morningstar's coveted "Fixed-Income Manager of the Year Award" three times (1998, 2000 and 2007).

Impressive long-term track record

By employing various value-added strategies to boost potential return and manage overall risk, PIMCO Low Duration Fund has managed not only to produce solid short-term results but has delivered a consistent track record of positive returns for every two-year period for 20 years.

For more detailed information about this fund, please visit our Web site at www.allianzinvestors.com.

Positive results over every two-year period since 1987



The initial date on the chart represents the 2-year period from 5/87- 5/89. Month over Month rolling 2-year periods reflect performance from 5/31/87-12/31/09. The returns reflect a hypothetical investment in the PIMCO Low Duration Fund on 5/31/87, and no subsequent purchases. The performance information above represents the returns of A shares.

Average Annual Total Returns as of 12/31/09	1-yr.	3-yr.	5-yr.	10-yr.	Inception*
PIMCO Low Duration Fund A at NAV	**12.91%**	**6.06%**	**4.50%**	**4.86%**	**6.22%**
PIMCO Low Duration Fund A at MOP	**10.37%**	**5.26%**	**4.02%**	**4.62%**	**6.08%**
Lipper Short Invstmnt Grade Debt Fund Avg.	9.61%	3.00%	3.02%	3.88%	5.25%
BofA Merrill Lynch 1-3 Year Treasury Index	0.78%	4.86%	4.04%	4.48%	5.85%

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. The MOP returns take into account the 2.25% maximum initial sales charge.*

Fund Data

Fund Inception Date* May 11, 1987

Total Fund Assets (in millions) $16,467.4

A Share Expense Ratio 0.88%

Management Firm PIMCO (Pacific Investment Management Company)

Portfolio Manager Bill Gross

Calendar Year Returns	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09
PIMCO Low Duration Fund A at NAV	**7.2%**	**7.5%**	**7.2%**	**2.5%**	**1.9%**	**1.1%**	**3.3%**	**7.5%**	**-1.7%**	**12.9%**
Lipper Short Invstmnt Grade Debt Fund Avg.	7.4%	7.2%	4.8%	2.7%	1.5%	1.6%	4.2%	4.2%	-4.8%	9.6%
BofA Merrill Lynch 1-3 Year Treasury Index	8.0%	8.3%	5.8%	1.9%	0.9%	1.7%	4.0%	7.3%	6.6%	0.8%

* The inception date for the oldest class of shares (the Institutional share class). The returns represent Class A shares, first offered in 1/97. Returns prior to this date apply the returns of the oldest class of shares but the charges and expenses of Class A shares. Index and Lipper performance comparisons begin on 4/30/87. 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.

PIMCO Low Duration Fund

Portfolio Manager

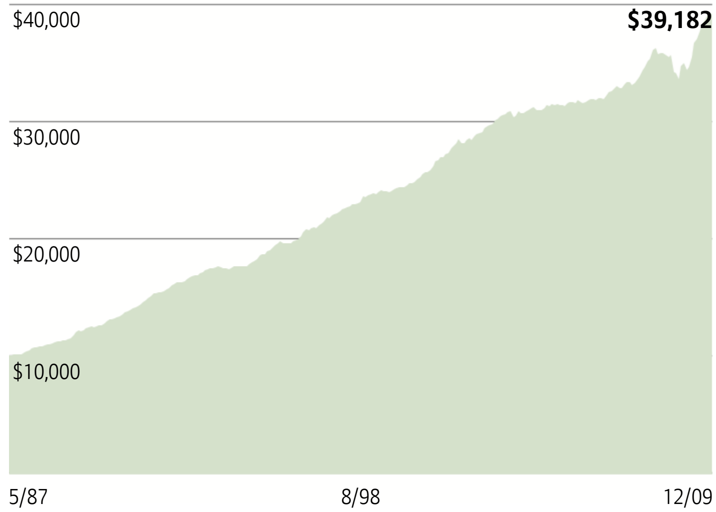
Bill Gross

Mr. Gross is founder and co-chief investment officer of Pacific Investment Management Company (PIMCO) and has won Morningstar's coveted "Fixed-Income Manager of the Year Award" three times (1998, 2000 and 2007) for managing the PIMCO Total Return Fund. In 2000, Mr. Gross received the Bond Market Association's Distinguished Service Award. He holds a BA from Duke University and an MBA from the UCLA Graduate School of Business.

PIMCO (Pacific Investment Management Company)

Founded in 1971, PIMCO is a leading global investment management firm, with a client list that includes many of the largest companies in the United States. 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.

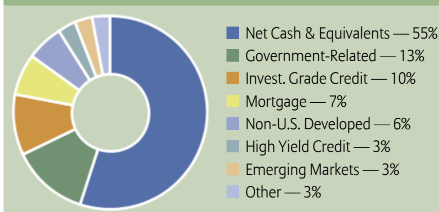
Growth of $10,000



Past performance is not indicative of future results. Performance shown is for A shares at net asset value (NAV).

Portfolio Analysis

Sector Breakdown



Maturity	
<1 Year	55%
1–3 Years	30%
3–5 Years	5%
5–10 Years	9%
20+ Years	1%
Average Maturity	*2.41 Years*
Average Duration	*2.08 Years*

Quality [1]	
AAA	69%
AA	11%
A	10%
BBB	6%
BB	2%
B	1%
<B	1%
Average Quality	*AA*

Allianz Global Investors has more than $1 trillion in assets under management for our clients worldwide. Our U.S. investment managers each offers its own distinctive philosophy and culture, providing clients with a comprehensive and constantly evolving range of investment styles and products. [2]

Allianz Global Investors

PIMCO | NFJ Investment Group | informed RCM | Nicholas Applegate | Oppenheimer Capital | Cadence Capital Management

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 or by calling 1-888-877-4626. Please read this prospectus carefully before you invest or send money.

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. Allianz Global Investors AG assets under management as of 6/30/09. Cadence Capital Management is an independently owned investment firm.

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 in non-U.S. securities, with a portion in foreign currency denominated securities, with a percentage 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. The value of some mortgage–related or asset–backed securities may be particularly sensitive to interest rate changes, and there is no assurance that private insurers of the underlying mortgages or assets will meet their obligations. 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.

The Morningstar Fund Manager of the Year Award winners are chosen based upon Morningstar's own research and in-depth evaluation by its senior editorial staff.

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 BofA Merrill Lynch 1-3 Year Treasury Index is an unmanaged index that tracks the performance of the direct Sovereign debt of the U.S. Government having a maturity of at least 1 year and less than 3 years. 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.

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.

Investment Products

Not FDIC Insured | May Lose Value | Not Bank Guaranteed