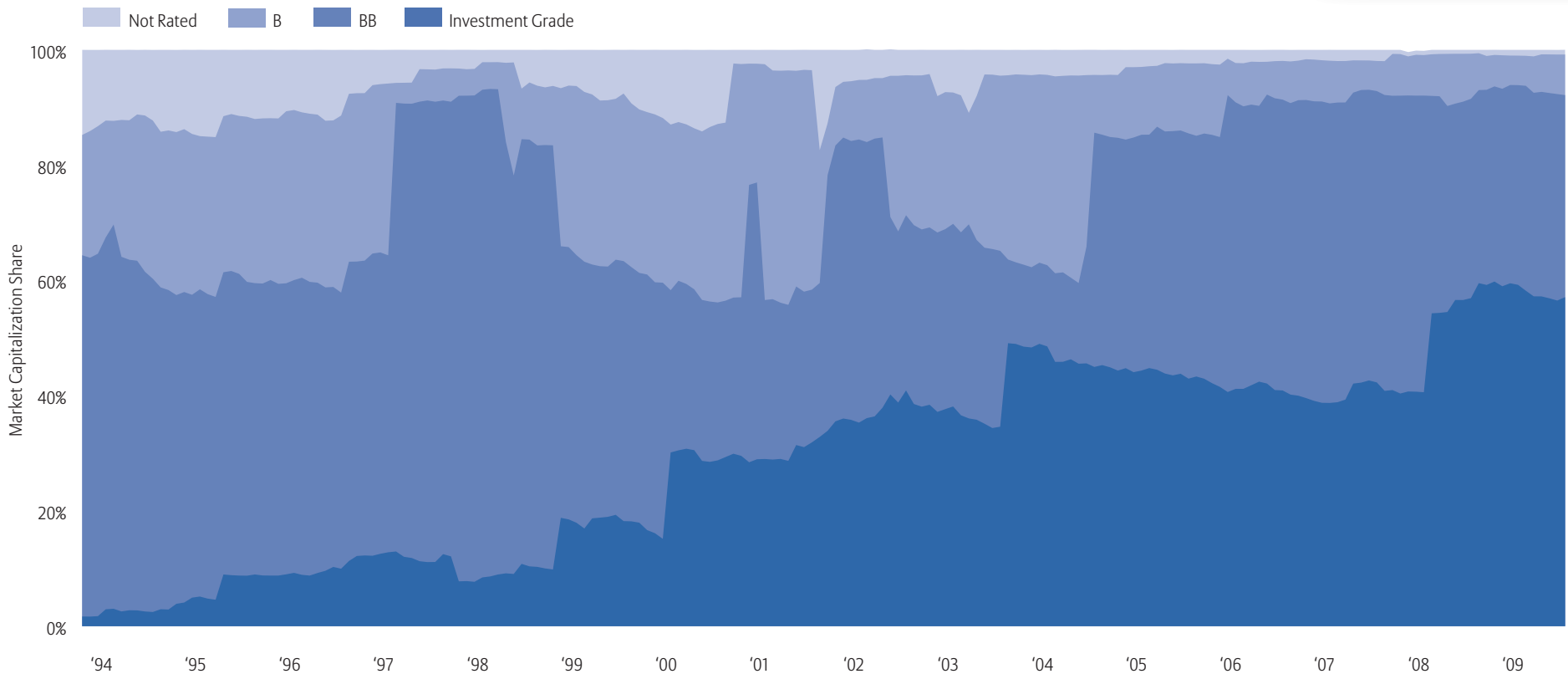


Emerging Market Debt Credit Quality Improves

Emerging market credit quality has been improving steadily over time, with over 50% of emerging market bonds now rated investment grade, and over 90% rated BB or better. The combination of rising credit quality and fundamental improvements in emerging market economies has attracted new investors to the asset class.



Investment Products

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

Past performance is no guarantee of future results. The Emerging Market Credit Quality chart is based on the JPMorgan EMBI Global Index (Source: JPMorgan, PIMCO) as of 12/31/09. The individual bonds within the index were rated by Moody's and Standard & Poor's and are subject to change. In the event ratings were not identical, the higher rating of the two was used. The chart does not represent any Allianz Global Investors product.

The JPMorgan EMBI Global Index tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady Bonds, loans, Eurobonds. Currently the EMBI Global covers 188 instruments across 32 countries. Investing in non-U.S. securities entails additional risks, including political and economic risk and the risk of currency fluctuations; these risks may be enhanced in emerging markets. In an environment where interest rates may trend upward, rising rates will negatively impact most bonds.