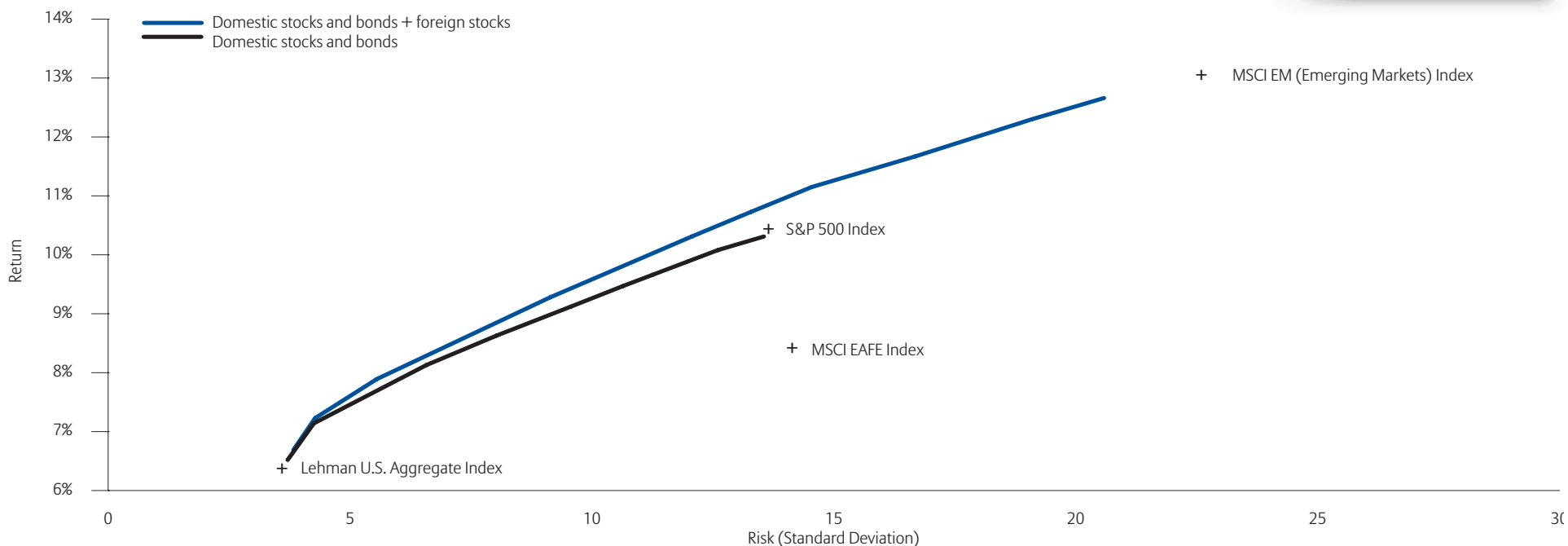


Foreign Stock Exposure Has Favorable Risk/Reward Profile

Over the past 15 years ended 12/31/2007, foreign stocks have demonstrated low to moderate correlations to domestic securities and favorable risk/reward characteristics, making them a compelling candidate for inclusion in most investors' portfolios. Note that all points on the blue line in the chart exhibit a better risk/return profile than all points on the black line, showing that portfolios including foreign stocks, over the period, were preferable to portfolios of domestic securities only.



This chart is not indicative of the past or future performance of any Allianz Global Investors product.

Investment Products

Not FDIC Insured | May Lose Value | Not Bank Guaranteed

Source: FactSet

Past performance is no guarantee of future results. The graphic above is based on historic returns of indices over the past 15 years ended 12/31/2007 and is not indicative of the past or future performance of any Allianz Global Investors product. The black line represents a historical frontier that includes only domestic stocks and bonds (S&P 500 and LBAG), while the blue line depicts a frontier if foreign stocks (MSCI EAFE and MSCI Emerging Markets) are added to the same portfolio. The Standard & Poor's 500 Composite Index (S&P 500) is an unmanaged index that is generally representative of the U.S. stock market. The Lehman Brothers Aggregate Bond Index is composed of securities from the Lehman Brothers Government/Credit Bond Index, Mortgage-Backed Securities Index and Asset-Backed Securities Index. It is generally considered to be representative of the domestic, investment-grade, fixed-rate, taxable bond market. The Morgan Stanley Capital International (MSCI) Europe, Australasia, Far East Index (EAFE) is an unmanaged index of over 900 companies and is a generally accepted benchmark for major overseas markets. Index weightings represent the relative capitalizations of those markets included in the index on a U.S. dollar-adjusted basis. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. It is not possible to invest directly in an index. 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. Standard deviation is an absolute measure of volatility measuring dispersion about an average which, for an index, depicts how widely the returns varied over a certain period of time. The greater the degree of dispersion, the greater the risk. Diversification does not assure a profit or protect against loss. Allianz Global Investors Distributors LLC, 1345 Avenue of the Americas, New York, NY 10105-4800, www.allianzinvestors.com, 1-888-877-4626. © 2008.