



GIS Dynamic Bond Fund



Quarterly Investment Report | 2Q22

Marketing material / communication
For professional use only

Refer to Appendix for additional information

IMPORTANT NOTICE

Please note that this material contains the opinions of the manager as of the date noted, and may not have been updated to reflect real time market developments. All opinions are subject to change without notice.

Executive summary

Past performance does not predict future results.

Portfolio Performance

The GIS Dynamic Bond Fund (Institutional share class, net of fees) posted a negative return in the second quarter, as duration and spread strategies detracted from performance while currency strategies contributed to performance.

CONTRIBUTORS

- Short exposure to UK duration, as yields rose
- Long exposure to the Russian rouble, as it appreciated against the US dollar
- Short exposure to the euro, as it depreciated against the US dollar

DETRACTORS

- Holdings of investment grade and high yield corporate credit, as spreads widened
- Long exposure to US duration, as yields rose
- Long exposure to Italian duration, as yields rose
- Holdings of non-Agency Mortgage Backed securities

| Performance periods ended 30 Jun '22 | 3 mos. | 6 mos. | 1 yr. | 3 yrs. | 5 yrs. | 10 yrs. | SI |
|--------------------------------------|--------|--------|-------|--------|--------|---------|------|
| Fund before fees | -3.57 | -6.63 | -6.97 | 0.81 | 2.23 | 2.39 | 3.28 |
| Fund after fees | -3.79 | -7.05 | -7.80 | -0.10 | 1.32 | 1.48 | 2.36 |
| Benchmark* | 0.19 | 0.23 | 0.27 | 0.66 | 1.17 | 0.74 | 0.63 |

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

The following information should be read in conjunction with the 12-month rolling past performance information provided later in this presentation

Portfolio strategy

Tactical credit holdings: Favor housing-related and mortgage credit given resilient fundamentals in the US housing market. We focus on bottom-up security selection in corporate credit, where we continue to find value in financials and select COVID-recovery credits in sectors such as transportation and entertainment.

Long Non Agency MBS: We continue to like senior non-Agency mortgage-backed securities due to their attractive yields and risk profile.

Cautious on duration: We have modestly reduced exposure to duration over the quarter as yields have descended from their peak. Our exposure is primarily in the US where rates are higher compared to other DM countries, while maintaining our curve steepener positioning.

Emerging market opportunities: We have modestly reduced our exposure to emerging markets, as the potential for near term volatility remains elevated. We maintain highly diversified exposure to select emerging market debt in higher quality countries which may help enhance portfolio yield.

| | |
|----------------------------|------------|
| Class: | INST |
| Inception date: | 15 Dec '08 |
| Fund assets (in millions): | \$2,446.54 |
| Unified management fee: | 0.900% |

| Summary information | 30 Jun '22 |
|-----------------------------|------------|
| Effective duration (yrs) | 2.79 |
| Effective maturity (yrs) | 2.83 |
| Average coupon | 2.64% |
| Net currency exposure | 1.10% |
| Information ratio (10 yrs) | 0.25 |
| Standard deviation (10 yrs) | 3.10 |

| Sector allocation | Dur. (yrs) | MV(%) |
|--------------------------------------|-------------|------------|
| Euro Government-related | 0.05 | 1.77 |
| U.K. Government-related | -0.28 | -3.07 |
| U.S. Government-related | 0.39 | 27.72 |
| Other Government-related | 0.08 | 6.48 |
| Securitized | 0.51 | 19.88 |
| Invest. Grade Credit | 0.90 | 26.42 |
| High Yield Credit | 0.20 | 4.87 |
| Emerging Markets | 0.36 | 8.35 |
| Municipal/Other | 0.02 | 0.43 |
| Net Other Short Duration Instruments | 0.55 | 7.15 |
| Total | 2.79 | 100 |

*Secured Overnight Financing Rate (SOFR)

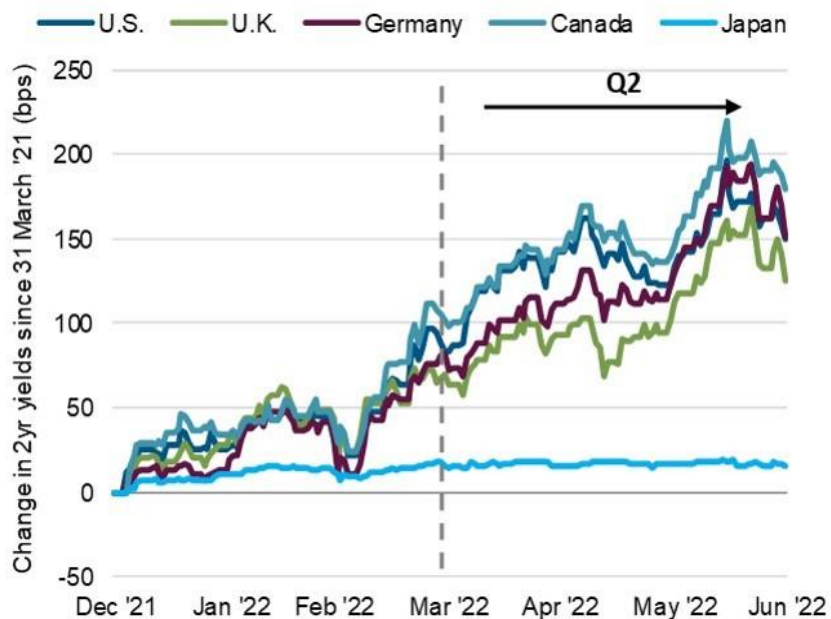
Fund specific risks

| Risk | Risk Description |
|---|--|
| Credit and Default Risk | A decline in the financial health of an issuer of a fixed income security can lead to an inability or unwillingness to repay a loan or meet a contractual obligation. This could cause the value of its bonds to fall or become worthless. Funds with high exposures to non-investment grade securities have a higher exposure to this risk. |
| Currency Risk | Changes in exchange rates may cause the value of investments to decrease or increase. |
| Derivatives and Counterparty Risk | The use of certain derivatives could result in the fund having a greater or more volatile exposure to the underlying assets and an increased exposure to counterparty risk. This may expose the fund to larger gains or losses associated with market movements or in relation to a trade counterparty being unable to meet its obligations. |
| Emerging Markets Risk | Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk. Investments in these markets may expose the fund to larger gains or losses. |
| Liquidity Risk | Difficult market conditions could result in certain securities becoming hard to sell at a desired time and price. |
| Interest Rate Risk | Changes in interest rates will usually result in the values of bond and other debt instruments moving in the opposite direction (e.g. a rise in interest rates likely leads to fall in bond prices). |
| Mortgage Related and Other Asset Backed Securities Risks | Mortgage or asset backed securities are subject to similar risks as other fixed income securities, and may also be subject to prepayment risk and higher levels of credit and liquidity risk. |

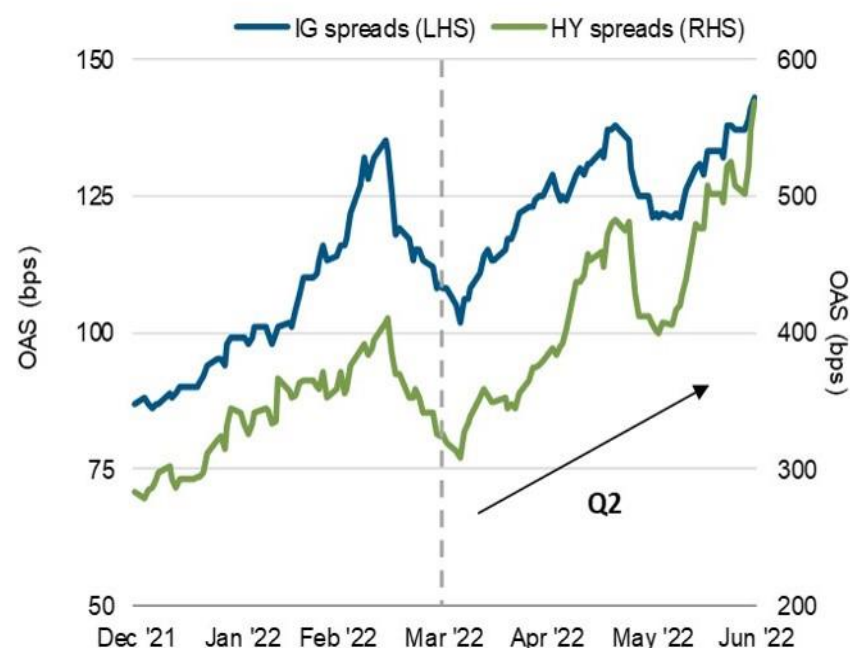
Quarter in Review

A challenging environment for fixed income as yields rose

The fundamental backdrop showed signs of a slowdown amid weakening economic data releases, while inflation remained elevated. In response, central banks adopted more hawkish stances. The Fed delivered a 75bps hike in June (the first since 1994) and shifted expectations higher for future rate hikes, while the BoE and BoC also raised their policy rates. Meanwhile, performance was challenged for both “safe-haven” and risk assets as global yields rose meaningfully and risk sentiment waned. Equities broadly ended lower – with some markets dipping into bear territories – while credit and EM external spreads widened.



Global yields rose sharply as central banks continued to scale back support in response to inflationary pressures. In the U.S., the 10yr yield reached an intra-quarter high of nearly 3.5% – its highest level since 2011.



Credit spreads – both investment-grade and high yield – widened in Q2 as market sentiment waned. Meanwhile, mortgage credit, alongside most spread assets, also underperformed across the quality spectrum.

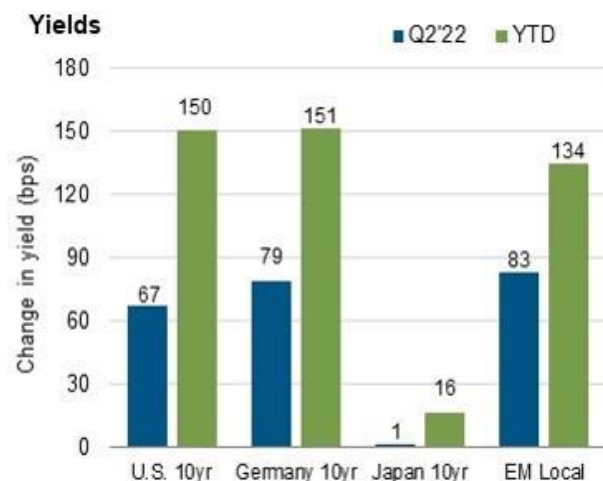
Market Summary

Q2'22: Rising yields constituted a notable headwind to most asset classes

The fund's currency strategies contributed to performance while interest rate and spread strategies detracted over the quarter.

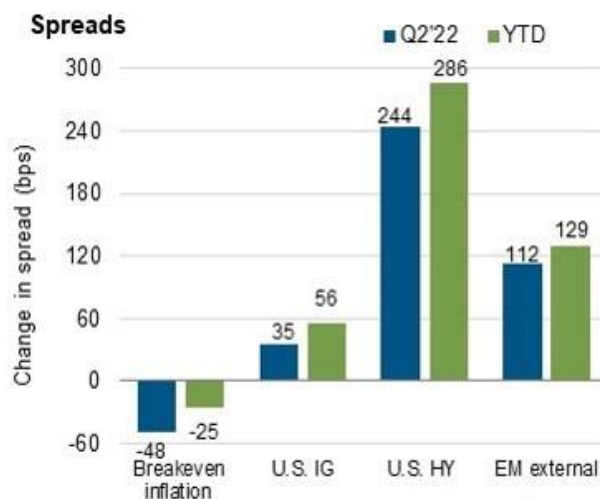
Developed market debt

Developed market yields broadly rose as central banks largely pursued tighter monetary policies over the quarter. Yields rose in the U.S. with the 10-year Treasury peaking near 3.5% as the Fed prioritized fighting inflation and hiked interest rates by a total of 125 basis points and began tapering its balance sheet. U.K. and German rates also rose meaningfully amid elevated inflationary pressure, while Japanese rates remained largely range-bound.



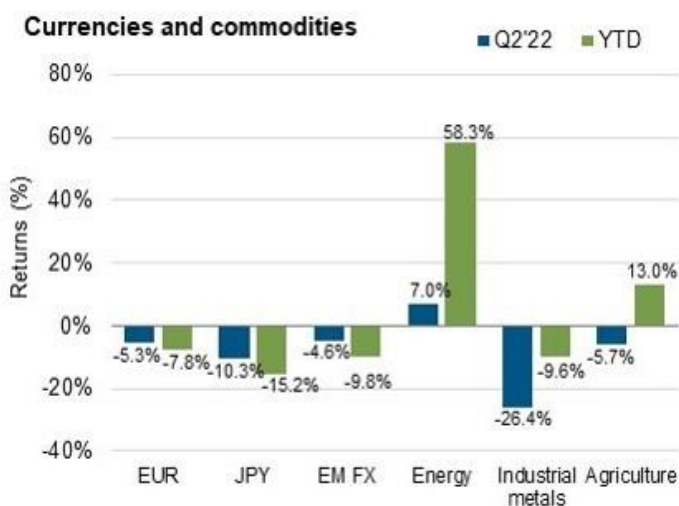
Mortgage-backed securities

Agency MBS returned -4.01% during Q2, underperforming like duration Treasuries by 98 bps. Volatility in the Agency MBS market persisted during the quarter as rates continued to sell off and the Fed began its balance sheet reductions. Legacy non-Agency residential MBS spreads widened 65 bps alongside the broader credit market, while non-Agency commercial MBS returned -3.25%, underperforming like-duration Treasuries by 114 bps.



Credit

U.S. investment grade credit spreads widened 35 bps, ending the quarter at 143 bps. The sector returned -6.90%, underperforming like-duration treasuries by -2.05%. Credit spreads widened due to an increasingly hawkish tone from the Fed, inflationary concerns, and weaker economic data. However, demand for high quality, income-producing assets is expected to pick up now that yields are substantially higher.

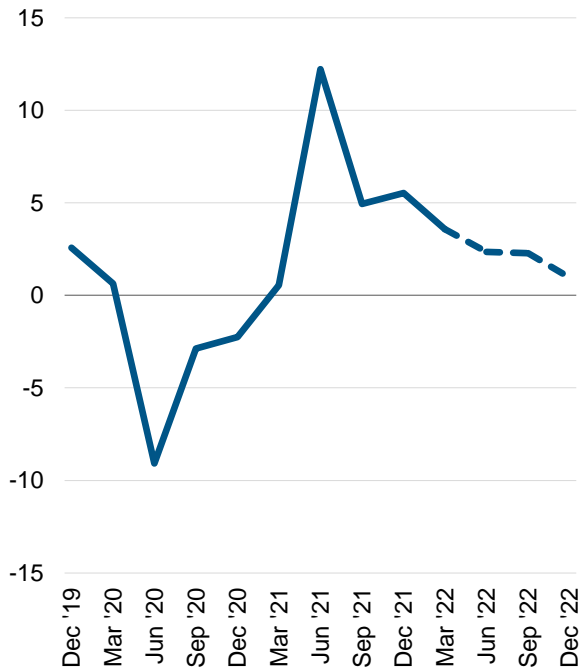


Source: U.S. 10yr, Germany 10yr, Japan 10yr, Breakeven inflation (Bloomberg); EM local (JPMorgan GBI-EM Global Diversified Composite Yield to Maturity Index); U.S. investment grade credit (Bloomberg Barclays U.S. Aggregate Credit Average OAS Index); U.S. high yield credit (Bloomberg Barclays U.S. Corporate High Yield Average OAS Index); EM external (JPMorgan Emerging Bond Index Global Sovereign Spread); EUR (EUR/USD Spot Exchange Rate - Price of 1 EUR in USD); JPY (USD/JPY Spot Exchange Rate - Price of 1 USD in JPY); EM currencies (JPMorgan ELMI Plus Composite); Energy (Bloomberg Energy Subindex Total Return Index); Industrial metals (Bloomberg Industrial Metals Subindex Total Return Index); Agriculture (Bloomberg Agriculture Total Return Index); Agency MBS (Bloomberg US Agency Fixed Rate Index); Non-Agency MBS (Bloomberg Barclays Investment Grade Non-Agency CMBS Index); Like-duration treasuries or global government bonds are calculated by the index provider by comparing the index return to a hypothetical matched position of treasuries or global government bond, respectively.

Cyclical Outlook: “Anti-Goldilocks” backdrop and elevated recession risks

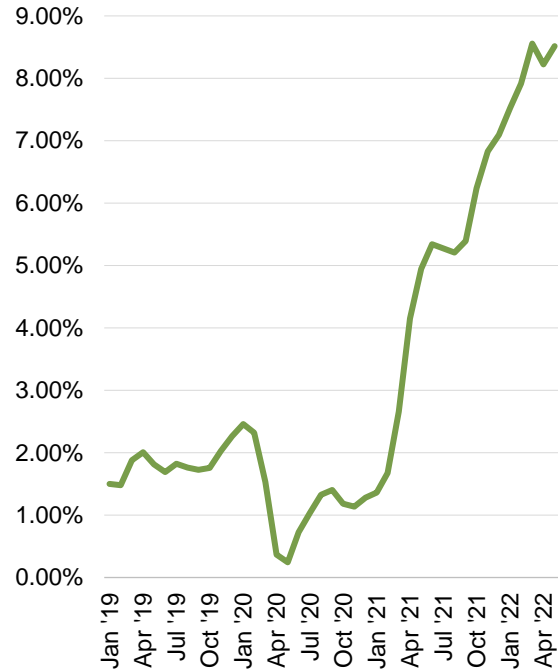
Activity too cold

US real GDP*



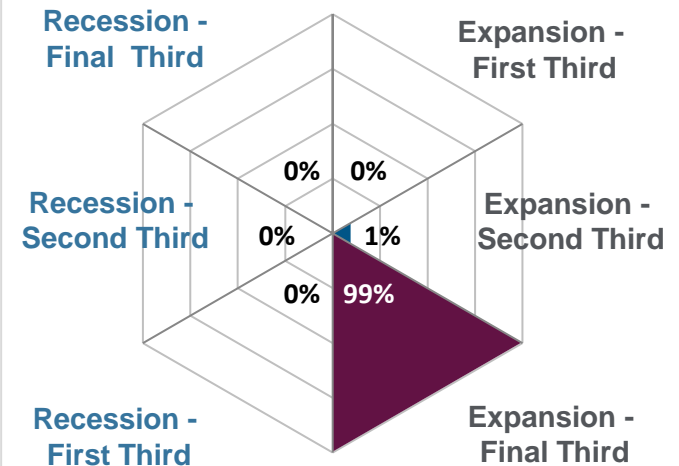
Inflation too hot

US headline CPI y/y



Recession risk elevated

Stylized business cycle model



For illustrative purposes only. As of June 2022. SOURCE: PIMCO

* Figures in percentages.

The dynamic factor model (DFM) divides the business cycle into six phases; for example, 2T (second third) expansion is the mid-cycle expansion phase. The model incorporates a set of underlying factors with the potential to drive economic growth and assumes various economic time series are realizations of these factors with varying time lags. We estimate these factors based on 750 U.S. time-series variables covering a wide range of phenomena, including growth and its components, inflation components, labor market data, surveys, housing statistics, banking data, interest rates, asset price series, and more.

Refer to Appendix for additional outlook and risk information.

Portfolio Outlook

Strategic outlook

We see an elevated risk of recession over the next two years, reflecting greater potential for geopolitical tumult, stubbornly high inflation that reduces households' real disposable income, and central banks' intense focus on fighting inflation first, which raises the risk of financial accidents on top of the sharp tightening of financial conditions already seen. Moreover, if and when the next recession arrives, we expect the monetary and fiscal responses to be more reserved and arrive later than in the last several recessions when inflation was not a concern and when government debt levels and central bank balance sheets were less bloated.

Key strategies

Duration

We have maintained a defensive duration profile in the strategy with an emphasis on US rates over other developed markets for its ability to provide relative downside protection in risk-off environments. We also look to diversify this exposure globally with short exposure to UK as we view UK long end yields as relatively depressed. We also maintained our modest long to Canadian duration as well as Italian duration provided continued support from the ECB.

Spread

We continue to be cautious on traditional corporate credit risk and look for attractive new issuances that come to market amidst the broader recalibration. We favor U.S. financials as we believe they offer attractive risk-adjusted returns as well as select sectors such as telecommunications and healthcare that have remained credit resilient. We diversify spread exposures, seeing value in senior tranches of legacy Non-Agency MBS and hold select positions in EM external debt, focusing on USD-denominated debt in countries with strong fundamentals such as Mexico and Brazil.

Currency

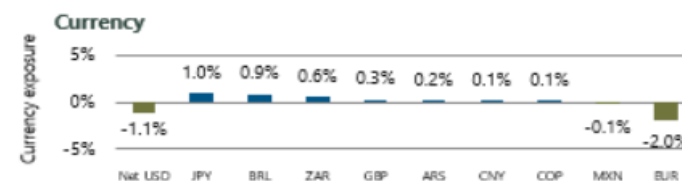
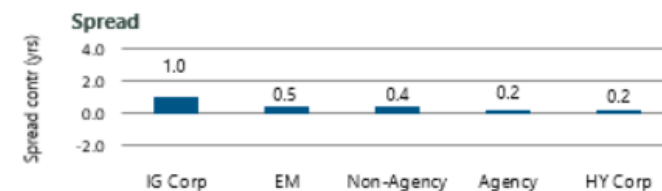
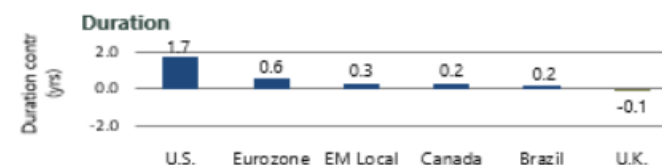
We remain tactical in our currency positioning, slightly adjusting exposure to a diverse basket of EM currencies that provide carry and diversification for the Fund. We have modestly reduced EM FX positions broadly as our near term conviction versus the potential for elevated volatility remains low. We maintain our short exposure to select developed market currencies, including the euro and Canadian dollar.

Source: PIMCO

*Non-agency may include non-agency mortgage backed securities, asset backed securities, and commercial mortgage backed securities

**For spread sectors, the relevant spread duration contribution is used

Position



Sector exposure

| | Portfolio | | | |
|---|-------------------|------------|-------------------|-------------|
| | % of Market value | | Duration in years | |
| | 31 Mar '22 | 30 Jun '22 | 31 Mar '22 | 30 Jun '22 |
| Euro Government - Related | -0.72 | 1.77 | -0.01 | 0.05 |
| U.K. Government - Related | -2.67 | -3.07 | -0.37 | -0.28 |
| U.S. Government - Related | 25.64 | 27.72 | 0.49 | 0.39 |
| Other Government - Related | 6.88 | 6.48 | 0.13 | 0.08 |
| Securitized* | 14.31 | 19.88 | 0.24 | 0.51 |
| Invest. Grade Credit | 25.74 | 26.42 | 1.14 | 0.90 |
| High Yield Credit | 4.60 | 4.87 | 0.29 | 0.20 |
| Emerging Markets | 15.77 | 8.35 | 0.45 | 0.36 |
| Bonds and other long duration instruments | 9.67 | 7.63 | 0.41 | 0.36 |
| EM Short Duration Instruments | 6.10 | 0.72 | 0.04 | 0.00 |
| Municipal/Other | 1.11 | 0.43 | 0.06 | 0.02 |
| Net Other Short Duration Instruments** | 9.34 | 7.15 | 0.59 | 0.55 |
| Commingled Cash Vehicles | 8.89 | 8.93 | 0.07 | 0.04 |
| Certificate of Deposit/Commercial Paper/STIF | 0.83 | 1.20 | 0.01 | 0.01 |
| Government Related | 14.51 | 7.70 | 0.04 | 0.01 |
| Mortgage | 2.18 | 2.15 | 0.00 | 0.00 |
| Credit | 0.46 | 0.51 | 0.00 | 0.00 |
| Bankers Acceptance | 0.00 | 0.00 | 0.00 | 0.00 |
| Other*** | 9.60 | 15.87 | 0.04 | 0.01 |
| Short Duration Derivatives and Derivative Offsets | -30.16 | -29.10 | 0.43 | 0.49 |
| Net Unsettled Trades | 3.04 | -0.12 | 0.00 | 0.00 |
| Total | 100 | 100 | 3.01 | 2.79 |

*Securitized includes Agency MBS, non-Agency MBS, CMBS, ABS, CDO, CLO, and Pooled Funds.

**Net Other Short Duration Instruments includes securities and other instruments (except instruments tied to emerging markets by country of risk) with an effective duration less than one year and rated investment grade or higher or, if unrated, determined by PIMCO to be of comparable quality, commingled liquidity funds, uninvested cash, interest receivables, net unsettled trades, broker money and derivatives offset. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum credit rating higher than investment grade for inclusion in this category.

***Investment vehicles not listed, allowed by prospectus.

Portfolio characteristics

Interest rate exposure

| | Portfolio (yrs) | |
|-----------------------------------|-----------------|------------|
| | 31 Mar '22 | 30 Jun '22 |
| Effective duration | 3.01 | 2.79 |
| Bull market duration | 2.68 | 2.63 |
| Bear market duration | 3.18 | 2.96 |
| Spread duration | | |
| Mortgage spread duration | 0.71 | 0.85 |
| Corporate spread duration | 1.58 | 1.29 |
| Emerging markets spread duration | 0.66 | 0.50 |
| Swap spread duration | 0.23 | 0.24 |
| Covered bond spread duration | 0.00 | 0.00 |
| Sovereign related spread duration | 0.04 | 0.02 |

Derivative exposure (duration in yrs)

| | 31 Mar '22 | 30 Jun '22 |
|---------------------------------|------------|------------|
| Government futures | 0.22 | 0.35 |
| Interest rate swaps | -0.30 | -0.25 |
| Credit default swaps* | -2.25 | 0.18 |
| Purchased swaps | -7.09 | -4.84 |
| Written swaps | 4.84 | 5.02 |
| Options | 0.54 | 0.48 |
| Purchased options | -0.17 | -0.22 |
| Written options | 0.71 | 0.71 |
| Mortgage derivatives | 0.05 | 0.07 |
| Money market derivatives | 0.27 | 0.22 |
| Futures | 0.00 | 0.00 |
| Interest rate swaps | 0.27 | 0.22 |
| Other Derivatives | 0.00 | 0.00 |

* Shown as a percentage of market value

Country and currency exposure

Country exposure by currency of settlement

| | 31 Mar '22 | | 30 Jun '22 | |
|---------------------------------------|----------------|--------------|----------------|--------------|
| | Duration (yrs) | FX (%) | Duration (yrs) | FX (%) |
| United States | 1.81 | 98.73 | 1.75 | 98.90 |
| Japan | 0.00 | 0.96 | 0.00 | 0.99 |
| Eurozone | 0.65 | -1.84 | 0.59 | -2.01 |
| Belgium | 0.01 | 0.00 | 0.00 | 0.00 |
| Euro Currency | 0.00 | -1.84 | 0.00 | -2.01 |
| European Union | 0.36 | 0.00 | 0.36 | 0.00 |
| Finland | 0.00 | 0.00 | 0.00 | 0.00 |
| France | 0.12 | 0.00 | 0.07 | 0.00 |
| Germany | -0.38 | 0.00 | -0.28 | 0.00 |
| Greece | 0.03 | 0.00 | 0.02 | 0.00 |
| Ireland | 0.01 | 0.00 | 0.01 | 0.00 |
| Italy | 0.40 | 0.00 | 0.33 | 0.00 |
| Luxembourg | 0.04 | 0.00 | 0.03 | 0.00 |
| Netherlands | 0.04 | 0.00 | 0.03 | 0.00 |
| Slovenia | 0.00 | 0.00 | 0.00 | 0.00 |
| Spain | 0.02 | 0.00 | 0.01 | 0.00 |
| United Kingdom | -0.11 | 0.36 | -0.11 | 0.31 |
| Europe non-EMU | 0.00 | -0.01 | 0.00 | -0.01 |
| Denmark | 0.00 | -0.02 | 0.00 | -0.02 |
| Dollar Block | 0.32 | -0.43 | 0.28 | 0.19 |
| Australia | 0.00 | 0.29 | 0.00 | 0.27 |
| Canada | 0.24 | -0.67 | 0.21 | 0.01 |
| New Zealand | 0.08 | -0.05 | 0.07 | -0.09 |
| Other Industrialized Countries | -0.01 | -0.03 | -0.01 | -0.03 |
| Hong Kong | 0.00 | -0.02 | 0.00 | -0.02 |
| Israel | 0.00 | 0.01 | 0.00 | 0.01 |
| South Korea | -0.01 | -0.01 | -0.01 | -0.01 |
| Taiwan | 0.00 | -0.01 | 0.00 | -0.01 |
| EM - Asia | 0.02 | 0.19 | 0.02 | 0.21 |
| China | 0.00 | 0.12 | 0.00 | 0.12 |
| India | 0.00 | 0.04 | 0.00 | 0.04 |
| Thailand | 0.02 | 0.02 | 0.02 | 0.05 |
| EM - Latin America | 0.24 | 1.04 | 0.20 | 0.87 |
| Argentina | 0.00 | 0.33 | 0.00 | 0.24 |
| Brazil | 0.12 | 0.86 | 0.15 | 0.86 |
| Colombia | 0.00 | 0.08 | 0.00 | 0.07 |
| Mexico | 0.06 | -0.13 | 0.00 | -0.15 |
| Peru | 0.06 | -0.10 | 0.04 | -0.16 |
| EM - CEEMEA | 0.08 | 1.02 | 0.07 | 0.58 |
| Russia | 0.00 | 0.43 | 0.00 | 0.00 |

Emerging markets exposure by country of risk

| | 31 Mar '22 | | | 30 Jun '22 | | |
|--------------|------------------------------------|---------------|----------------|------------------------------------|---------------|----------------|
| | % of MV short duration Instruments | % of MV bonds | Duration (yrs) | % of MV short duration Instruments | % of MV bonds | Duration (yrs) |
| Argentina | 0.00 | 0.37 | 0.01 | 0.00 | 0.39 | 0.01 |
| Brazil | 0.09 | 6.47 | 0.15 | -0.09 | 4.67 | 0.16 |
| China | 0.00 | 0.26 | 0.02 | 0.00 | 0.27 | 0.02 |
| Colombia | 0.00 | 0.19 | 0.00 | -0.01 | 0.22 | 0.00 |
| Mexico | 6.17 | 0.16 | 0.07 | 0.85 | 0.15 | 0.01 |
| Peru | -0.10 | 1.06 | 0.06 | -0.10 | 0.87 | 0.04 |
| Romania | 0.00 | 0.12 | 0.01 | 0.00 | 0.11 | 0.01 |
| Russia | 0.06 | 0.03 | 0.00 | 0.00 | 0.02 | 0.00 |
| South Africa | -0.11 | 3.18 | 0.10 | 0.06 | 3.27 | 0.08 |
| Thailand | 0.00 | -3.17 | 0.02 | 0.00 | -3.43 | 0.02 |
| Turkey | 0.00 | 0.53 | 0.01 | 0.00 | 0.57 | 0.01 |
| Total | 6.10 | 9.20 | 0.43 | 0.72 | 7.12 | 0.34 |

Country and currency exposure

Country exposure by currency of settlement

| | 31 Mar '22 | | 30 Jun '22 | |
|--------------|----------------|------------|----------------|------------|
| | Duration (yrs) | FX (%) | Duration (yrs) | FX (%) |
| South Africa | 0.08 | 0.59 | 0.07 | 0.58 |
| Total | 3.01 | 100 | 2.79 | 100 |

Additional share class performance

Performance (Institutional class, Accumulation Shares)

Past performance does not predict future results

| Performance (Net of Fees) | 30 Jun '17 30 Jun '18 | 30 Jun '18 30 Jun '19 | 30 Jun '19 30 Jun '20 | 30 Jun '20 30 Jun '21 | 30 Jun '21 30 Jun '22 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Before fees (%) | 3.65 | 5.19 | 3.18 | 6.71 | -6.97 |
| After fees (%) | 2.73 | 4.25 | 2.25 | 5.76 | -7.80 |
| Secured Overnight Financing Rate (SOFR) (%)* | 0.00 | 0.00 | 1.34 | 0.06 | 0.22 |
| Before fees alpha (bps) | 0 | 0 | 184 | 665 | -718 |
| After fees alpha (bps) | 0 | 0 | 92 | 570 | -802 |

The following information is additional to, and should be read only in conjunction with, the calendar year performance data presented below.

Past performance does not predict future results

| Calendar Year (Net of Fees) | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | YTD |
|--|------|-------|------|-------|------|------|------|------|------|------|-------|
| After fees (%) | 7.99 | -2.30 | 2.27 | -2.22 | 5.30 | 4.72 | 1.45 | 4.82 | 5.67 | 0.20 | -7.05 |
| Secured Overnight Financing Rate (SOFR) (%)* | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.37 | 0.04 | 0.23 |

As of 30 June 2022. SOURCE: PIMCO.

The fund is actively managed in reference to the Secured Overnight Financing Rate (SOFR) Index as further outlined in the prospectus and key investor information document

*The benchmark is shown for performance comparison purpose only. Benchmark: Secured Overnight Financing Rate (SOFR) Index.

Past performance is not a guarantee or a reliable indicator of future results. All periods longer than one year are annualised

Refer to Appendix and the relevant sections of the Fund prospectus for additional performance and fee, chart, GIS funds, index, and risk information

Additional share class performance

Dynamic Bond Fund (net of fees performance)

| | 30 Jun '17 30 Jun '18 | 30 Jun '18 30 Jun '19 | 30 Jun '19 30 Jun '20 | 30 Jun '20 30 Jun '21 | 30 Jun '21 30 Jun '22 | SI |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------|
| Dynamic Bond Fund Administrative Accumulation | 2.18 | 3.72 | 1.75 | 5.25 | -8.26 | 1.46 |
| Dynamic Bond Fund E Class Accumulation | 1.73 | 3.32 | 1.30 | 4.80 | -8.59 | 0.92 |
| Dynamic Bond Fund E Class Income | 1.69 | 3.36 | 1.40 | 4.71 | -8.58 | 0.93 |
| Dynamic Bond Fund H Institutional Accumulation | - | - | 2.12 | 5.58 | -7.97 | 0.78 |
| Dynamic Bond Fund H Institutional Income | - | - | - | 5.51 | -7.97 | -1.00 |
| Dynamic Bond Fund Institutional Accumulation | 2.73 | 4.25 | 2.25 | 5.76 | -7.80 | 2.36 |
| Dynamic Bond Fund Institutional Income | 2.65 | 4.21 | 2.28 | 5.72 | -7.80 | 1.98 |
| Dynamic Bond Fund Investor Accumulation | 2.35 | 3.88 | 1.87 | 5.42 | -8.15 | 1.28 |
| Dynamic Bond Fund Investor Income | 2.23 | 3.96 | 1.85 | 5.36 | -8.10 | 1.27 |
| Dynamic Bond Fund R Class Accumulation | 2.56 | 4.17 | 2.22 | 5.65 | -7.90 | 1.18 |
| Dynamic Bond Fund Z Class Accumulation | - | - | - | - | - | -7.30 |
| Secured Overnight Financing Rate (SOFR) | - | - | 1.34 | 0.06 | 0.22 | - |
| Dynamic Bond Fund Z Class AUD (Hedged) Income | 3.67 | 4.69 | 1.97 | 6.49 | -7.43 | 2.94 |
| Bloomberg AusBond Bank Bills Index | 1.78 | 1.97 | 0.85 | 0.06 | 0.10 | - |
| Dynamic Bond Fund Institutional CAD (Hedged) Accumulation | - | - | 1.65 | 5.63 | -7.86 | 0.53 |
| Canadian Overnight Repo Rate (CORRA) | - | - | - | - | 0.40 | - |
| Dynamic Bond Fund E Class CHF (Hedged) Accumulation | -1.09 | -0.10 | -1.41 | 3.67 | -9.84 | -0.78 |
| Dynamic Bond Fund Institutional CHF (Hedged) Accumulation | -0.09 | 0.75 | -0.46 | 4.57 | -9.09 | 0.17 |
| SARON ICE BofA SARON Overnight Rate Index | - | - | - | - | - | - |
| Dynamic Bond Fund Administrative EUR (Hedged) Accumulation | -0.25 | 0.75 | -0.74 | 4.31 | -9.30 | 0.48 |
| Dynamic Bond Fund E Class EUR (Hedged) Accumulation | -0.60 | 0.26 | -1.03 | 3.89 | -9.74 | 0.15 |
| Dynamic Bond Fund G Retail EUR (Hedged) Income | -0.56 | 0.24 | -1.07 | 3.84 | -9.62 | -0.20 |
| Dynamic Bond Fund Institutional EUR (Hedged) Accumulation | 0.24 | 1.19 | -0.16 | 4.80 | -8.86 | 1.49 |
| Dynamic Bond Fund Institutional EUR (Hedged) Income | 0.26 | 1.23 | -0.18 | 4.79 | -8.94 | 1.05 |
| Dynamic Bond Fund Investor EUR (Hedged) Accumulation | -0.09 | 0.92 | -0.55 | 4.50 | -9.22 | 0.29 |

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

Additional share class performance

Dynamic Bond Fund (net of fees performance)

| | 30 Jun '17 | 30 Jun '18 | 30 Jun '19 | 30 Jun '20 | 30 Jun '21 | SI |
|--|------------|------------|------------|------------|------------|------|
| | 30 Jun '18 | 30 Jun '19 | 30 Jun '20 | 30 Jun '21 | 30 Jun '22 | |
| Euro Short-Term Rate (ESTER) | - | - | - | -0.57 | -0.58 | - |
| Dynamic Bond Fund E Class GBP (Hedged) Accumulation | 0.27 | 1.52 | -0.18 | 4.51 | -8.81 | 0.61 |
| Dynamic Bond Fund Institutional GBP (Hedged) Accumulation | 1.24 | 2.45 | 0.80 | 5.38 | -8.03 | 1.63 |
| Dynamic Bond Fund Institutional GBP (Hedged) Income | 1.24 | 2.48 | 0.73 | 5.46 | -8.12 | 1.24 |
| SONIA ICE BofA SONIA Overnight Rate Index | - | - | - | - | - | - |
| Dynamic Bond Fund Institutional NOK (Hedged) Accumulation | 1.50 | 2.63 | 1.04 | 5.55 | -7.89 | 1.83 |
| 1 Month NIBOR Rate Index | 0.78 | 1.02 | 1.25 | 0.25 | 0.62 | - |
| Dynamic Bond Fund Administrative SEK (Hedged) Accumulation | -0.34 | 0.76 | -0.45 | 4.66 | -8.94 | 0.47 |
| ICE BofA SOFR Overnight Rate Index SEKH | - | - | - | - | - | - |

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

Additional share class performance

Dynamic Bond Fund (net of fees performance)

| Performance periods ended: 30 Jun '22 | Unified Management Fee | NAV currency | Class Inception date | 3 mos. | 6 mos. | 1 yr. | 3 yrs. | 5 yrs. | 10 yrs. | SI |
|--|------------------------|--------------|----------------------|--------|--------|-------|--------|--------|---------|-------|
| Dynamic Bond Fund Administrative Accumulation | 1.400 | USD | 21 Jan '10 | -3.95 | -7.27 | -8.26 | -0.59 | 0.81 | 0.97 | 1.46 |
| Dynamic Bond Fund E Class Accumulation | 1.800 | USD | 11 May '10 | -4.03 | -7.45 | -8.59 | -0.99 | 0.40 | 0.57 | 0.92 |
| Dynamic Bond Fund E Class Income | 1.800 | USD | 11 May '10 | -3.99 | -7.48 | -8.58 | -0.99 | 0.40 | 0.58 | 0.93 |
| Dynamic Bond Fund H Institutional Accumulation | 1.070 | USD | 12 Dec '18 | -3.93 | -7.22 | -7.97 | -0.26 | - | - | 0.78 |
| Dynamic Bond Fund H Institutional Income | 1.070 | USD | 14 Feb '20 | -3.88 | -7.17 | -7.97 | - | - | - | -1.00 |
| Dynamic Bond Fund Institutional Accumulation | 0.900 | USD | 15 Dec '08 | -3.79 | -7.05 | -7.80 | -0.10 | 1.32 | 1.48 | 2.36 |
| Dynamic Bond Fund Institutional Income | 0.900 | USD | 22 Feb '10 | -3.86 | -7.07 | -7.80 | -0.10 | 1.30 | 1.47 | 1.98 |
| Dynamic Bond Fund Investor Accumulation | 1.250 | USD | 24 Sep '10 | -3.89 | -7.27 | -8.15 | -0.46 | 0.96 | 1.13 | 1.28 |
| Dynamic Bond Fund Investor Income | 1.250 | USD | 24 Sep '10 | -3.85 | -7.22 | -8.10 | -0.46 | 0.94 | 1.12 | 1.27 |
| Dynamic Bond Fund R Class Accumulation | 0.990 | USD | 30 Nov '12 | -3.87 | -7.14 | -7.90 | -0.18 | 1.22 | - | 1.18 |
| Dynamic Bond Fund Z Class Accumulation | 0.000 | USD | 15 Sep '21 | -3.64 | -6.65 | - | - | - | - | -7.30 |
| Secured Overnight Financing Rate (SOFR) | - | - | - | 0.17 | 0.19 | 0.22 | 0.54 | - | - | 0.63 |
| Dynamic Bond Fund Z Class AUD (Hedged) Income | 0.000 | AUD | 18 Mar '14 | -3.82 | -7.01 | -7.43 | 0.17 | 1.76 | - | 2.94 |
| Bloomberg AusBond Bank Bills Index | - | - | - | 0.07 | 0.08 | 0.10 | 0.33 | 0.95 | - | 1.47 |
| Dynamic Bond Fund Institutional CAD (Hedged) Accumulation | 0.900 | CAD | 21 Sep '18 | -3.86 | -7.10 | -7.86 | -0.36 | - | - | 0.53 |
| Canadian Overnight Repo Rate (CORRA) | - | - | - | 0.26 | 0.32 | 0.40 | - | - | - | 0.70 |
| Dynamic Bond Fund E Class CHF (Hedged) Accumulation | 1.800 | CHF | 18 Apr '11 | -4.48 | -8.22 | -9.84 | -2.69 | -1.86 | -1.08 | -0.78 |
| Dynamic Bond Fund Institutional CHF (Hedged) Accumulation | 0.900 | CHF | 08 Sep '10 | -4.32 | -7.86 | -9.09 | -1.83 | -0.97 | -0.18 | 0.17 |
| SARON ICE BofA SARON Overnight Rate Index | - | - | - | -0.16 | -0.34 | - | - | - | - | -0.48 |
| Dynamic Bond Fund Administrative EUR (Hedged) Accumulation | 1.400 | EUR | 21 Jan '10 | -4.36 | -7.98 | -9.30 | -2.07 | -1.15 | -0.30 | 0.48 |
| Dynamic Bond Fund E Class EUR (Hedged) Accumulation | 1.800 | EUR | 20 Nov '09 | -4.49 | -8.14 | -9.74 | -2.46 | -1.55 | -0.71 | 0.15 |
| Dynamic Bond Fund G Retail EUR (Hedged) Income | 1.800 | EUR | 14 Dec '10 | -4.40 | -8.13 | -9.62 | -2.44 | -1.54 | -0.70 | -0.20 |
| Dynamic Bond Fund Institutional EUR (Hedged) Accumulation | 0.900 | EUR | 21 May '09 | -4.26 | -7.75 | -8.86 | -1.57 | -0.66 | 0.19 | 1.49 |
| Dynamic Bond Fund Institutional EUR (Hedged) Income | 0.900 | EUR | 23 Dec '09 | -4.32 | -7.78 | -8.94 | -1.61 | -0.67 | 0.18 | 1.05 |
| Dynamic Bond Fund Investor EUR (Hedged) Accumulation | 1.250 | EUR | 31 Jan '11 | -4.35 | -7.93 | -9.22 | -1.92 | -0.99 | -0.15 | 0.29 |
| Euro Short-Term Rate (ESTER) | - | - | - | -0.15 | -0.29 | -0.58 | - | - | - | -0.01 |
| Dynamic Bond Fund E Class GBP (Hedged) Accumulation | 1.800 | GBP | 18 Mar '10 | -4.10 | -7.55 | -8.81 | -1.65 | -0.64 | 0.03 | 0.61 |
| Dynamic Bond Fund Institutional GBP (Hedged) Accumulation | 0.900 | GBP | 15 Dec '09 | -4.00 | -7.20 | -8.03 | -0.78 | 0.26 | 0.93 | 1.63 |
| Dynamic Bond Fund Institutional GBP (Hedged) Income | 0.900 | GBP | 27 Feb '12 | -4.03 | -7.27 | -8.12 | -0.80 | 0.25 | 0.93 | 1.24 |
| SONIA ICE BofA SONIA Overnight Rate Index | - | - | - | 0.22 | 0.32 | - | - | - | - | 0.48 |

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

Additional share class performance

Dynamic Bond Fund (net of fees performance)

| Performance periods ended: 30 Jun '22 | Unified Management Fee | NAV currency | Class Inception date | 3 mos. | 6 mos. | 1 yr. | 3 yrs. | 5 yrs. | 10 yrs. | SI |
|--|---------------------------------------|-------------------------|-------------------------------------|---------------|---------------|--------------|---------------|---------------|----------------|-----------|
| Dynamic Bond Fund Institutional NOK (Hedged) Accumulation | 0.900 | NOK | 11 Apr '11 | -4.07 | -7.19 | -7.89 | -0.59 | 0.46 | 1.47 | 1.83 |
| 1 Month NIBOR Rate Index | - | - | - | 0.25 | 0.46 | 0.62 | 0.70 | 0.78 | 1.08 | 1.23 |
| Dynamic Bond Fund Administrative SEK (Hedged) Accumulation | 1.400 | SEK | 18 Nov '11 | -4.26 | -7.73 | -8.94 | -1.74 | -0.97 | -0.05 | 0.47 |
| ICE BofA SOFR Overnight Rate Index SEKH | - | - | - | - | - | - | - | - | - | 0.17 |

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

Important Disclosures

Past performance is not a guarantee or a reliable indicator of future results. The “gross of fees” performance figures are presented before management fees and custodial fees, but do reflect commissions, other expenses and reinvestment of earnings. The “net of fees” performance figures reflect the deduction of ongoing charges. All periods longer than one year are annualized.

Statements concerning financial market trends or portfolio strategies are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions or are appropriate for all investors and each investor should evaluate their ability to invest for the long term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice.

Portfolio structure is subject to change without notice and may not be representative of current or future allocations.

The following defined terms are used throughout the report. **Emerging market short duration instruments** includes an emerging market security or other instrument economically tied to an emerging market country by country of risk with an effective duration less than one year and rated investment grade or higher or if unrated, determined to be similar quality by PIMCO. **Net other short duration instruments** includes securities and other instruments (except instruments tied to emerging markets by country of risk) with an effective duration less than one year and rated investment grade or higher or, if unrated, determined by PIMCO to be of comparable quality, commingled liquidity funds, uninvested cash, interest receivables, net unsettled trades, broker money and derivatives offset. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum credit rating higher than investment grade for inclusion in this category. **Short duration derivatives and derivatives offsets** include: 1) derivatives with an effective duration less than one year and where the country of risk is not an emerging market country (for example, Eurodollar futures) and 2) offsets associated with investments in futures, swaps and other derivatives. Such offsets may be taken at the notional value of the derivative position which in certain instances may exceed the actual amount owed on such positions. **Municipals/Other** may include convertibles, preferred and yankee bonds.

The average distribution yield is the average of the last four quarterly distribution yields. The quarterly distribution yield is calculated by annualizing the quarter's distribution and dividing by the NAV on the last business day of the period. It does not include long- or short-term capital gains distributions. Average coupon is the average of the coupon payments of the underlying bonds within the portfolio. Average coupon is the average of the coupon payments of the underlying bonds within the portfolio. Average effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bond's effective maturity by the market value of the security. Duration is the measure of a bond's price sensitivity to interest rates and is expressed in years. Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change. PIMCO uses an internal model for calculating effective duration, which may result in a different value for the duration of an index compared to the duration calculated by the index provider or another third party. Information ratio is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns. Tracking error measures the dispersion or volatility of excess returns relative to a benchmark. Tracking error measures the dispersion or volatility of excess returns relative to a benchmark.

Investments made by a Fund and the results achieved by a Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. A Fund may be forced to sell a comparatively large portion of its portfolio to meet significant shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

Differences in the Fund's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the index.

Forecasts, estimates and certain information contained herein are based upon proprietary research and should not be interpreted as investment advice, as an offer or solicitation, nor as the purchase or sale of any financial instrument. Forecasts and estimates have certain inherent limitations, and unlike an actual performance record, do not reflect actual trading, liquidity constraints, fees, and/or other costs. In addition, references to future results should not be construed as an estimate or promise of results that a client portfolio may achieve.

Important Disclosures

Unit value can go up as well as down and any capital invested in the fund may be at risk. The fund may invest in non-U.S. and non-eurozone securities which involve potentially higher risks including currency fluctuations and political or economic developments. These may be enhanced when investing in emerging markets. Funds that invest in high-yield, lower-rated securities, will generally involve greater volatility and risk to principal than investments in higher-rated securities. The fund may use derivatives for hedging or as part of its investment strategy which may involve certain costs and risks. Portfolios investing in derivatives could lose more than the principal amount invested. For more details on the fund's potential risks, please read the Prospectus and Key Investor Information Document.

A word about risk: Absolute return portfolios may not fully participate in strong positive market rallies. Investing in the **bond market** is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and low interest rate environments increase this risk. Reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility. Bond investments may be worth more or less than the original cost when redeemed. Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. **High-yield**, lower-rated, securities involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. Equities may decline in value due to both real and perceived general market, economic, and industry conditions. **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. Diversification does not ensure against loss.

GIS Funds

PIMCO Funds: Global Investors Series plc is an umbrella type open-ended investment company with variable capital and is incorporated with limited liability under the laws of Ireland with registered number 276928. The information is not for use within any country or with respect to any person(s) where such use could constitute a violation of the applicable law. The information contained in this communication is intended to supplement information contained in the prospectus for this Fund and must be read in conjunction therewith. Investors should consider the investment objectives, risks, charges and expenses of these Funds carefully before investing. This and other information is contained in the Fund's prospectus. Please read the prospectus carefully before you invest or send money. Past performance is not a guarantee or a reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future. Returns are net of fees and other expenses and include reinvestment of dividends. The performance data represents past performance and investment return and principal value will fluctuate so that the PIMCO **GIS Funds** shares, when redeemed, may be worth more or less than the original cost. Potential differences in performance figures are due to rounding. The Fund may invest in non-U.S. or non-Eurozone securities which involves potentially higher risks including non-U.S. or non-Euro currency fluctuations and political or economic uncertainty. For informational purposes only. Please note that not all Funds are registered for sale in every jurisdiction. Please contact PIMCO Europe Ltd for more information. For additional information and/or a copy of the Fund's prospectus, please contact the Administrator: State Street Fund Services (Ireland) Limited, Telephone +353-1-776-0142, Fax +353-1-562-5517. © 2022.

Important Disclosures

Benchmark

Unless referenced in the prospectus and relevant key investor information document, a benchmark or index in this material is not used in the active management of the Fund, in particular for performance comparison purposes.

Where referenced in the prospectus and relevant key investor information document a benchmark may be used as part of the active management of the Fund including, but not limited to, for duration measurement, as a benchmark which the Fund seeks to outperform, performance comparison purposes and/or relative VaR measurement. Any reference to an index or benchmark in this material, and which is not referenced in the prospectus and relevant key investor information document, is purely for illustrative or informational purposes (such as to provide general financial information or market context) and is not for performance comparison purposes. Please contact your PIMCO representative for further details.

The fund is actively managed in reference to the Secured Overnight Financing Rate (SOFR) as further outlined in the prospectus and key investor information document.

Correlation

As outlined under "Benchmark", where [disclosed herein] and referenced in the prospectus and relevant key investor information document, a benchmark may be used as part of the active management of the Fund. In such instances, certain of the Fund's securities may be components of and may have similar weightings to the benchmark and the Fund may from time to time show a high degree of correlation with the performance of any such benchmark. However the benchmark is not used to define the portfolio composition of the Fund and the Fund may be wholly invested in securities which are not constituents of the benchmark.

Investors should note that a Fund may from time to time show a high degree of correlation with the performance of one or more financial indices not referenced in the prospectus and relevant key investor information document. Such correlation may be coincidental or may arise because any such financial index may be representative of the asset class, market sector or geographic location in which the Fund is invested or uses a similar investment methodology to that used in managing the Fund.

Investment restrictions — In accordance with the UCITS regulations and subject to any investment restrictions outlined in the Fund's prospectus, the Fund may invest over 35% of net assets in different transferable securities and money market instruments issued or guaranteed by any of the following: OECD Governments (provided the relevant issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.

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Important Disclosures

Additional Information

A Prospectus is available for PIMCO Funds: Global Investors Series plc (the Company) and Key Investor Information Documents (KIIDs) are available for each share class of each the sub-funds of the Company.

The Company's Prospectus can be obtained from www.fundinfo.com and is available in English, French, German, Italian, Portuguese and Spanish.

The KIIDs can be obtained from www.fundinfo.com and are available in one of the official languages of each of the EU Member States into which each sub-fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive).

In addition, a summary of investor rights is available from www.pimco.com. The summary is available in English.

The sub-funds of the Company are currently notified for marketing into a number of EU Member States under the UCITS Directive. PIMCO Global Advisors (Ireland) Limited can terminate such notifications for any share class and/or sub-fund of the Company at any time using the process contained in Article 93a of the UCITS Directive.

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Important Disclosures

Acronyms and definitions of investment terms used throughout the report:

Alpha is a measure of performance on a risk-adjusted basis calculated by comparing the volatility (price risk) of a portfolio vs. its risk-adjusted performance to a benchmark index; the excess return relative to the benchmark is alpha.

Average coupon is the average of the coupon payments of the underlying bonds within the portfolio.

Average effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bond's effective maturity by the market value of the security.

"Bend-but-not-break" refers to credits that PIMCO would not expect to default in a credit-stressed environment.

Beta is a measure of price sensitivity to market movements. Market beta is 1.

Breakeven inflation rate (or expectation) is a market-based measure of expected inflation or the difference between the yield of a nominal and an inflation-linked bond of the same maturity.

Carry is the rate of interest earned by holding the respective securities.

The terms **"cheap"** and **"rich"** as used herein generally refer to a security or asset class that is deemed to be substantially under- or overpriced compared to both its historical average as well as to the investment manager's future expectations. There is no guarantee of future results or that a security's valuation will ensure a profit or protect against a loss.

CPI is the Consumer Price Index.

The **credit quality** of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The quality ratings of individual issues/issuers are provided to indicate the credit-worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S&P, Moody's, and Fitch respectively.

Dividend yield is represented by the weighted average coupon divided by the weighted average price.

Duration is the measure of a bond's price sensitivity to interest rates and is expressed in years.

Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change.

Forward curve is a function graph that defines the prices at which a contract for future delivery or payment can be concluded today.

Information ratio is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns.

Like-duration Securities are calculated by the index provider by comparing the index return to a hypothetical matched position in the security.

The **Option Adjusted Spread (OAS)** measures the spread over a variety of possible interest rate paths. A security's OAS is the average return an investor will earn over Treasury returns, taking all possible future interest rate scenarios into account. The OAS is the net spread over the swap curve that will on average be earned if the security is held to maturity.

"Risk assets" are any financial security or instrument that are likely to fluctuate in price.

Risk premia is the return in excess of the risk-free rate of return an investment is expected to yield.

Roll yield is the yield that a futures investor captures as their long position in a futures contract converges to the spot price.

"Safe haven" is an investment that is expected to retain or increase in value during times of market turbulence.

The **SEC yield** is an annualized yield based on the most recent 30 day period.

Tracking error measures the dispersion or volatility of excess returns relative to a benchmark.

To relate the price sensitivity of ILBs to changes in nominal yields, yield beta is applied to nominal changes to arrive at a price sensitivity of ILBs to changes in nominal rates. A **yield beta** of 0.90 implies that if nominal yields move 100 basis points, real yields will move 90 basis points. ILBs with long maturity may respond differently to changes in nominal rates than shorter maturity ILBs.

The distribution yield for monthly paying Funds is calculated by annualizing actual dividends distributed for the monthly period ended on the date shown and dividing by the net asset value on the last business day for the same period. The distribution yield for quarterly paying Funds is calculated by taking the average of the prior four quarterly distribution yields. The quarterly distribution yields are calculated by annualizing actual dividends distributed for the quarterly period ended on the most recent quarterly distribution date and dividing by the net asset value for the same date. The yield does not include long- or short-term capital gains distributions.

Asset-Backed Security (ABS); Bank of England (BOE); Bank of Japan (BOJ); Breakeven Inflation (BEI); Collateralized Debt Obligation (CDO); Collateralized Loan Obligation (CLO); Commercial Mortgage-Backed Security (CMBS); Developed Markets (DM); Emerging Markets (EM); Federal Reserve Board (The Fed); Europe Central Bank (ECB); Federal Open Market Committee (FOMC); Foreign Exchange (FX); Gross Domestic Product (GDP); Gulf Cooperation Council (GCC); High Yield (HY); Inflation-Linked Bond (ILS); Investment Grade (IG); Leveraged-buyout (LBO); Loan-to-Value (LTV); Master Limited Partnership (MLP); Mortgage-Backed Security (MBS); Market Weighted Spread (MWS); Real Estate Investment Trust (REIT); Residential Mortgage-Backed Security (RMBS); Treasury Inflation-Protected Security (TIPS); Year-over-Year (YoY)