



# GIS Global Investment Grade Credit Fund



Quarterly Investment Report | 3Q21

**For professional use only- marketing material.**

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

## Portfolio Performance

The strategy underperformed its index during the third quarter as sector allocation and security selection detracted from relative performance. The strategy continues to outperform its index over 1, 3, 5, and 10 year periods as well as since inception, before fees.

### CONTRIBUTORS

- Exposure to the securitized sector, and in particular agency MBS, as spreads tightened
- Security selection within utilities, as select US overweight issuers outperformed following recent weakness

### DETRACTORS

- Security selection within emerging markets external debt, as the Chinese real estate sector came under pressure
- An overweight to the gaming sector, which underperformed on the back of potential regulatory headwinds in Asia
- Underweight to the government related sector, as agency and local authority bonds outperformed

Performance periods ended 30 Sep '21	3 mos.	6 mos.	1 yr.	3 yrs.	5 yrs.	10 yrs.	SI
Fund before fees	-0.07	2.33	2.86	6.30	4.70	5.85	6.10
Fund after fees	-0.20	2.08	2.36	5.78	4.19	5.33	5.58
Benchmark*	0.07	2.17	1.46	6.20	4.12	4.69	4.72

**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.**

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.

## Portfolio strategy

We continue to be selective on generic credit and look to apply bottom-up ideas to emphasize 'bend-but-don't-break', corporate positions. During the quarter, we selectively added exposure to areas of the market that experienced volatility but could outperform in a continuing cyclical recovery, while trimming exposure to sectors and issuers that had benefited from spread tightening.

Among the sectors most affected by the pandemic, such as the travel and leisure sector, we remain highly selective and see select value in issuers with diversified geographical exposures and strong liquidity profiles. With vaccines in deployment and the economic recovery expected to continue, spreads in these hardest-hit sectors may be poised to outperform and offer further upside.

Class:	INST
Inception date:	23 Jul '03
Fund assets (in millions):	\$18,853.34
Unified management fee:	0.490%

Summary information	30 Sep '21
Estimated yield to maturity (Gross of fee)	3.13%
Effective duration (yrs)	7.13
Benchmark duration - provider (yrs)	7.33
Benchmark duration - PIMCO (yrs)	7.15
Effective maturity (yrs)	9.55
Average coupon	3.37%
Tracking error (10 yrs)	1.41
Information ratio (10 yrs)	0.46

Top 5 overweights (MV%)	Portfolio	BM*
Gaming	3.04	0.11
Real Estate	3.89	1.09
Financial Other	4.72	2.01
Wireless	2.67	1.06
Airlines	1.93	0.32

Top 5 underweights (MV%)	Portfolio	BM*
Pharmaceuticals	0.37	3.08
Electric Utility	4.80	7.10
Food & Beverage	1.20	2.91
Retailers	0.39	1.70
Integrated Oil	1.90	3.17

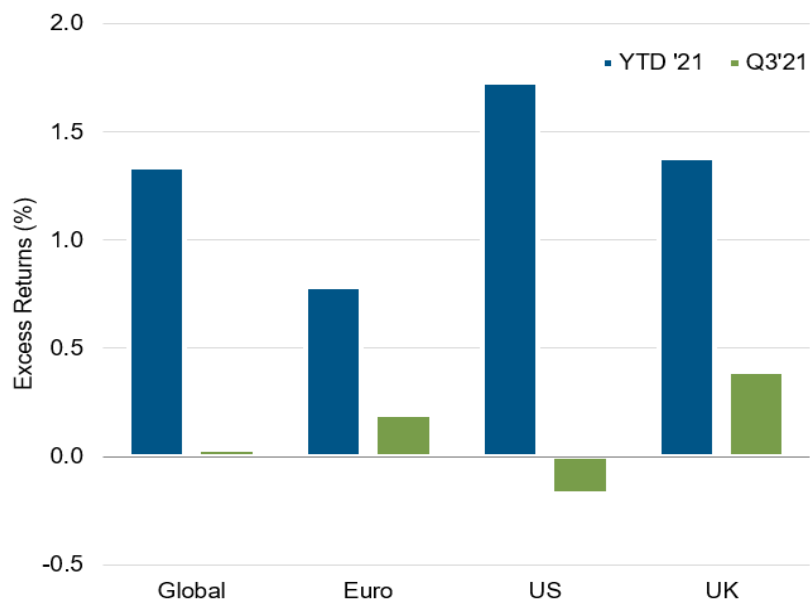
\*Bloomberg Global Aggregate Credit Index (USD Hedged)

# Quarter in Review

## Credit spreads remained range-bound as peaking Covid infections were balanced by inflation concerns

Credit spreads ended the quarter at 82bps, widening by 1bp during the third quarter. Investment grade markets continued to benefit from supportive monetary and fiscal policies, strong earnings results, and the improving Covid-19 situation but were balanced by rising inflation concerns and increased interest rate volatility late in the quarter. Primary issuance remained elevated in Q3'21, but it was well absorbed by the market with the technical picture remaining supportive. Cyclical and reopening sectors outperformed as the Delta variant infection wave peaked in the US and the global vaccine rollout continued while defensive, less cyclical and longer duration sectors lagged over the quarter.

**Excess returns by region - Q3'21**



On an excess return basis, European and UK credit posted positive returns, benefitting from supportive monetary and fiscal policies. US credit markets underperformed on an excess return basis on the back of increased issuance and due to the underperformance of longer duration sectors such as technology, telecom and media, as well as regulatory uncertainty in the gaming sector.

**Global credit returns by quality – Q3'21**



BBB rated bonds continued to outperform on an excess return basis alongside the outperformance of cyclical sectors and a continued slowdown in the pace of downgrades while more defensive, higher quality and longer duration sectors underperformed amid increased interest rate volatility.

Source: Barclays, Merrill Lynch

# Market Summary

## Sector allocation and security selection detracted from performance over the quarter

The strategy underperformed its index for the quarter as security selection within emerging markets external debt as well as an overweight to the gaming sector detracted from relative performance. The strategy continues to outperform its index over 1, 3, 5, and 10 year periods as well as since inception, before fees.

### Emerging Markets

Security selection within emerging markets external debt detracted from relative performance, as the Chinese real estate sector came under pressure amid concerns over the potential restructuring of a select issuer, which led to spreads in the whole sector widening in sympathy.

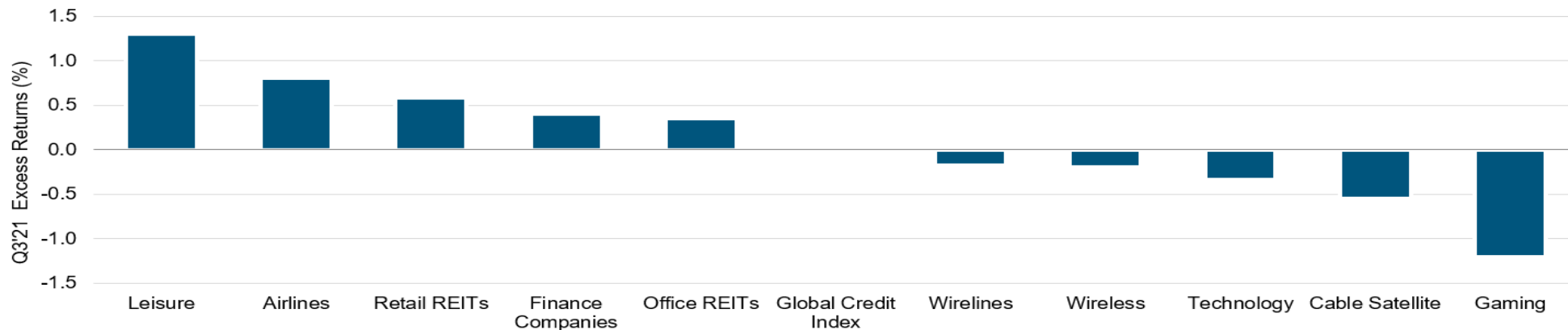
### Gaming

The portfolio's overweight to the gaming sector detracted from relative performance, as the sector underperformed amid regulatory uncertainty related to the renewal process for gaming licenses in Macao.

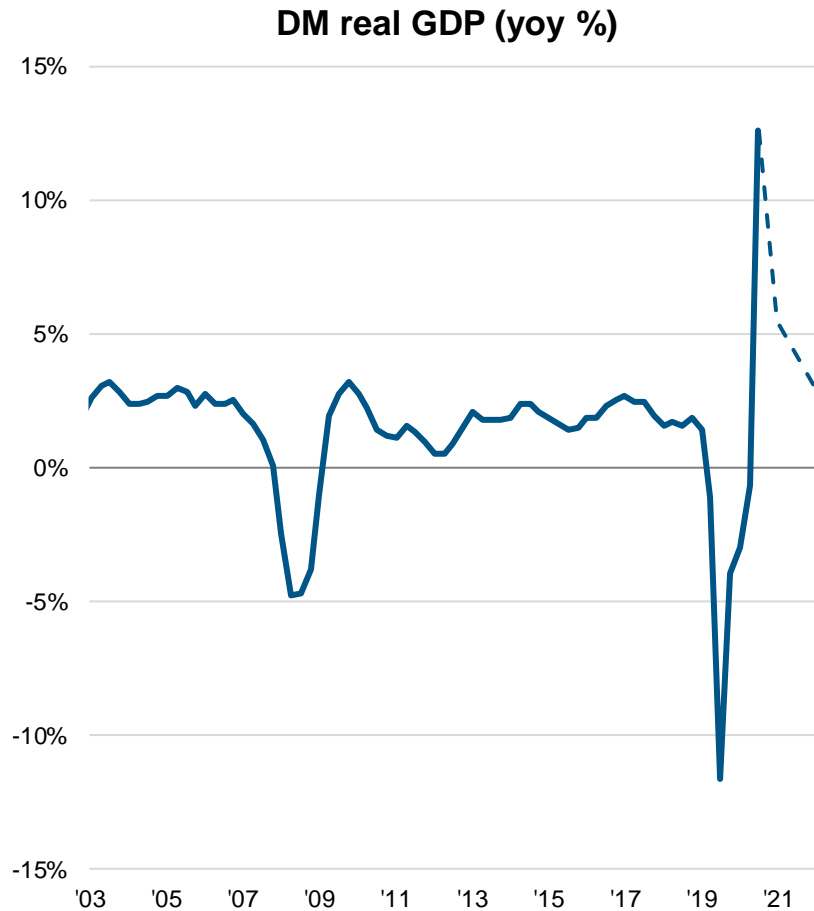
### Securitized

The strategy's tactical exposure to securitized credit, and in particular to agency mortgage-backed securities, contributed to performance, as spreads tightened.

Excess Returns by Corporate Sector



# Global growth and inflation likely to moderate in 2022



Above trend growth likely for 2021 and 2022, though the pace of growth to slow



Inflation likely to remain elevated in the near-term before gradually slowing into the second half of 2022

# Portfolio Outlook

---

## Strategic positioning

Over the cyclical horizon, we expect global growth to moderate but to remain above trend, while the inflation outlook has become more balanced. Fundamentals remain supportive, as net leverage continues to decline organically. Technicals are favorable, as net issuance has slowed down compared to 2020, while flows remain supportive. Valuations are generally back to pre-pandemic levels, but select sectors still trade wide compared to their pre-COVID tightness and offer active management opportunities. Cyclical and COVID-impacted sectors, select BBBs, and potential rising stars may offer further upside and benefit from the continued reopening of the global economy and improving credit fundamentals.

### Key strategies

#### Top Overweights – Financials

PIMCO remains constructive on financial institutions, including consumer finance companies, brokerages and banks, which represent a top overweight for the portfolio. Banks are operating at multi-decade high levels of capital and not only are supported by a decade of unabated balance sheet de-risking, but also benefitted from unprecedented policy interventions and regulatory relief measures. Our positioning is focused on systemic global banks with ample capital buffers and a diversified revenue stream.

#### Top Underweights

We are underweight tight trading, defensive issuers with limited upside potential and maintain a cautious approach to secularly challenged sectors, including commodity-related sectors and retail.

#### Top Overweights – REITs and Real Estate

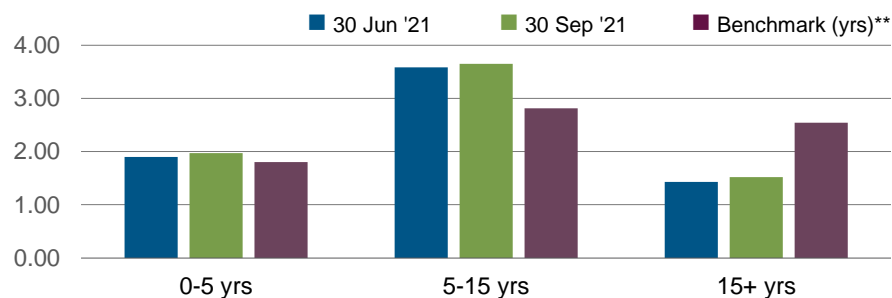
PIMCO remains constructive on REIT bonds, which benefit from structural protection in the form of covenants, visibility on asset coverage and a well-defined capital structure with sizeable equity cushions. Fundamentals remain stable within most REIT sub-sectors, and the asset class benefits from low interest rates. Our positioning focuses on sub-sectors with secular rental growth drivers as well as issuers with diversified exposures.

#### Interest rate / Currency Strategies

We are broadly neutral in terms of duration, with an underweight exposure to developed markets duration balanced by a moderate tactical long exposure to emerging markets local bonds. In terms of currencies, we are positioned with a long exposure to EUR, JPY, and a modest allocation to a basket of EM currencies, funded by a short position in USD.

# Portfolio characteristics

## Key rate duration exposure



	Portfolio (yrs)		Benchmark (yrs)**
	30 Jun '21	30 Sep '21	30 Sep '21
0-5 yrs	1.90	1.97	1.80
5-15 yrs	3.58	3.65	2.81
15+ yrs	1.43	1.52	2.54
<b>Total</b>	<b>6.91</b>	<b>7.13</b>	<b>7.15</b>

## Interest rate exposure

	Portfolio (yrs)		Benchmark (yrs)**
	30 Jun '21	30 Sep '21	30 Sep '21
Effective duration	6.91	7.13	7.15
Bull market duration	6.69	6.68	7.24
Bear market duration	7.26	7.28	7.05
<b>Spread duration</b>			
Mortgage spread duration	0.11	0.07	0.00
Corporate spread duration	4.22	4.31	5.67
Emerging markets spread duration	1.03	1.07	0.93
Swap spread duration	0.04	0.40	0.00
Covered bond spread duration	0.01	0.01	0.00
Sovereign related spread duration	0.06	0.06	0.80

## Derivative exposure (% of duration)

	30 Jun '21	30 Sep '21
<b>Government futures</b>	18.50	18.22
<b>Interest rate swaps</b>	4.73	5.99
<b>Credit default swaps*</b>	21.82	23.30
Purchased swaps	-0.14	-0.16
Written swaps	21.96	23.46
<b>Options</b>	-1.84	2.00
Purchased Options	-1.59	-1.57
Written Options	-0.25	3.57
<b>Mortgage Derivatives</b>	0.00	0.00
<b>Money Market Derivatives</b>	0.13	0.08
Futures	0.00	0.00
Interest rate swaps	0.13	0.08
<b>Other Derivatives</b>	0.00	0.00

\* Shown as a percentage of market value

\*\*Benchmark duration is calculated by PIMCO  
Benchmark: Bloomberg Global Aggregate Credit Index (USD Hedged)

# Country and currency exposure

## Country exposure by currency of settlement

	30 Jun '21		30 Sep '21	
	Duration (yrs)	FX (%)	Duration (yrs)	FX (%)
<b>United States</b>	<b>4.41</b>	<b>96.62</b>	<b>4.56</b>	<b>96.32</b>
<b>Japan</b>	<b>-0.01</b>	<b>0.58</b>	<b>0.00</b>	<b>0.67</b>
<b>Eurozone</b>	<b>1.60</b>	<b>0.69</b>	<b>1.67</b>	<b>0.74</b>
Austria	0.03	0.00	0.03	0.00
Belgium	0.01	0.00	0.01	0.00
Euro Currency	0.00	0.69	0.00	0.74
European Union	0.47	0.00	0.49	0.00
France	0.06	0.00	0.07	0.00
Germany	0.79	0.00	0.81	0.00
Ireland	0.01	0.00	0.01	0.00
Italy	0.13	0.00	0.14	0.00
Luxembourg	0.04	0.00	0.04	0.00
Netherlands	0.03	0.00	0.03	0.00
Spain	0.03	0.00	0.04	0.00
<b>United Kingdom</b>	<b>0.28</b>	<b>0.02</b>	<b>0.28</b>	<b>-0.03</b>
<b>Europe non-EMU</b>	<b>0.00</b>	<b>0.27</b>	<b>0.00</b>	<b>0.28</b>
Poland	0.00	0.22	0.00	0.24
Switzerland	0.00	0.04	0.00	0.03
<b>Dollar Block</b>	<b>0.33</b>	<b>0.12</b>	<b>0.35</b>	<b>0.12</b>
Australia	0.07	0.03	0.07	0.04
Canada	0.26	0.02	0.27	0.00
New Zealand	0.00	0.07	0.00	0.08
<b>Other Industrialized Countries</b>	<b>0.00</b>	<b>-0.01</b>	<b>0.00</b>	<b>0.15</b>
Chile	0.00	0.00	0.00	0.16
Hong Kong	0.00	-0.01	0.00	-0.01
<b>EM - Asia</b>	<b>0.00</b>	<b>0.32</b>	<b>0.00</b>	<b>0.38</b>
China	0.00	-0.02	0.00	-0.03
India	0.00	0.24	0.00	0.27
Indonesia	0.00	0.11	0.00	0.13
<b>EM - Latin America</b>	<b>0.18</b>	<b>0.91</b>	<b>0.17</b>	<b>0.83</b>
Argentina	0.00	0.05	0.00	0.04
Brazil	0.05	0.40	0.04	0.36
Colombia	0.00	0.16	0.00	0.18
Mexico	0.07	0.35	0.07	0.37
Peru	0.06	-0.05	0.06	-0.12
<b>EM - CEEMEA</b>	<b>0.10</b>	<b>0.48</b>	<b>0.10</b>	<b>0.54</b>
Hungary	0.02	0.00	0.01	-0.01
Russia	0.02	0.36	0.02	0.42
South Africa	0.07	0.11	0.07	0.12
Turkey	0.00	0.01	0.00	0.01

## Emerging markets exposure by country of risk

	30 Jun '21			30 Sep '21		
	% of MV short duration Instruments	% of MV bonds	Duration (yrs)	% of MV short duration Instruments	% of MV bonds	Duration (yrs)
Argentina	0.00	0.01	0.00	0.00	0.00	0.00
Brazil	0.03	4.49	0.09	-0.01	4.70	0.08
China	0.20	5.16	0.21	0.37	5.32	0.22
Colombia	0.00	0.04	0.00	0.00	0.04	0.00
EM Index Product	-0.07	0.00	0.00	0.00	0.00	0.00
Hungary	0.00	0.82	0.02	0.00	0.89	0.01
India	0.00	0.75	0.01	0.00	0.74	0.01
Indonesia	0.00	0.31	0.02	0.00	0.32	0.02
Malaysia	0.00	0.00	0.00	0.00	0.03	0.00
Mexico	0.27	2.46	0.11	0.24	2.48	0.11
Panama	0.00	0.03	0.00	0.00	0.03	0.00
Peru	0.05	1.22	0.07	0.07	1.19	0.06
Romania	0.00	0.57	0.04	0.00	0.69	0.05
Russia	-0.01	2.03	0.07	0.01	2.21	0.08
South Africa	0.01	1.95	0.07	0.02	2.08	0.07
Tanzania	0.00	0.04	0.00	0.00	0.04	0.00
Thailand	0.00	0.00	0.00	0.00	0.05	0.00
Turkey	0.00	0.02	0.00	0.00	0.02	0.00
Ukraine	0.00	0.05	0.00	0.00	0.04	0.00
<b>Total</b>	<b>0.48</b>	<b>19.95</b>	<b>0.72</b>	<b>0.70</b>	<b>20.87</b>	<b>0.73</b>



# Country and currency exposure

---

Country exposure by currency of settlement

	30 Jun '21		30 Sep '21	
	Duration (yrs)	FX (%)	Duration (yrs)	FX (%)
Total	6.91	100	7.13	100

# Additional share class performance

## Global Investment Grade Credit Fund (net of fees performance)

Performance periods ended: 30 Sep '21	Unified Management Fee	NAV currency	Class Inception date	3 mos.	6 mos.	1 yr.	3 yrs.	5 yrs.	10 yrs.	SI
Global Investment Grade Credit Fund W Class Income	0.390	USD	12 Aug '20	-0.27	2.06	2.43	-	-	-	2.02
Global Investment Grade Credit Fund W Class Accumulation	0.390	USD	12 Aug '20	-0.20	2.10	2.40	-	-	-	2.03
Global Investment Grade Credit Fund Administrative Accumulation	0.990	USD	21 Jan '09	-0.38	1.81	1.81	5.23	3.67	4.80	6.03
Global Investment Grade Credit Fund Administrative Income	0.990	USD	21 Jan '09	-0.37	1.81	1.78	5.23	3.66	4.80	6.03
Global Investment Grade Credit Fund E Class Accumulation	1.390	USD	10 Dec '08	-0.45	1.59	1.44	4.82	3.25	4.38	5.82
Global Investment Grade Credit Fund E Class Income	1.390	USD	30 Apr '08	-0.49	1.57	1.40	4.82	3.24	4.38	4.76
Global Investment Grade Credit Fund H Institutional Accumulation	0.660	USD	29 Aug '08	-0.26	1.99	2.17	5.60	4.01	5.15	5.79
Global Investment Grade Credit Fund H Institutional Income	0.660	USD	25 May '18	-0.27	1.97	2.09	5.55	-	-	5.09
Global Investment Grade Credit Fund Institutional Income	0.490	USD	23 Jul '03	-0.20	2.08	2.36	5.78	4.19	5.33	5.58
Global Investment Grade Credit Fund Institutional Accumulation	0.490	USD	18 Apr '08	-0.27	2.03	2.31	5.75	4.18	5.32	5.76
Global Investment Grade Credit Fund Investor Accumulation	0.840	USD	15 Feb '05	-0.33	1.85	1.98	5.39	3.82	4.95	5.03
Global Investment Grade Credit Fund Investor Income	0.840	USD	22 Jan '09	-0.30	1.86	1.95	5.40	3.83	4.96	6.20
Global Investment Grade Credit Fund M Retail Income	1.390	USD	28 Sep '12	-0.44	1.58	1.45	4.83	3.26	-	3.45
Global Investment Grade Credit Fund M Retail Income II	1.390	USD	23 Dec '13	-0.47	1.63	1.42	4.86	3.27	-	3.95
Global Investment Grade Credit Fund R Class Accumulation	0.760	USD	30 Nov '12	-0.35	1.88	2.03	5.46	3.91	-	3.97
Global Investment Grade Credit Fund R Class Income	0.760	USD	30 Nov '12	-0.29	1.91	2.09	5.49	3.90	-	3.98
Global Investment Grade Credit Fund T Class Accumulation	1.790	USD	16 Oct '14	-0.56	1.39	1.06	4.39	2.84	-	3.15
Bloomberg Global Aggregate Credit Index (USD Hedged)	-	-	-	0.07	2.17	1.46	6.20	4.12	4.69	4.72
Global Investment Grade Credit Fund H Institutional USD (Currency Exposure) Accumulation	0.660	USD	26 Feb '21	-1.19	1.22	-	-	-	-	-0.40
Global Investment Grade Credit Fund Institutional USD (Currency Exposure) Accumulation	0.490	USD	02 Aug '13	-1.12	1.39	2.01	5.22	3.73	-	3.71
Global Investment Grade Credit Fund Institutional USD (Currency Exposure) Income	0.490	USD	06 Sep '16	-1.14	1.40	2.05	5.22	3.71	-	3.57
Bloomberg Global Aggregate Credit Index (USD Unhedged)	-	-	-	-0.81	1.51	1.20	5.63	3.63	3.67	3.44
Global Investment Grade Credit Fund Investor RMB (Hedged) Income	0.840	CNH	25 Jun '18	0.38	3.21	4.48	6.84	-	-	6.58
Bloomberg Global Aggregate Credit Index (CNH Hedged)	-	-	-	0.84	3.60	4.21	7.84	-	-	7.53
Global Investment Grade Credit Fund Institutional AUD (Hedged) Income	0.490	AUD	07 Apr '20	-0.21	2.08	2.09	-	-	-	7.58
Global Investment Grade Credit Fund Investor AUD (Hedged) Income	0.840	AUD	25 Jun '18	-0.32	1.81	1.71	4.55	-	-	4.37
Bloomberg Global Aggregate Credit Index (AUD Hedged)	-	-	-	0.02	2.10	1.16	5.41	-	-	5.22
Global Investment Grade Credit Fund Institutional CAD (Hedged) Income	0.490	CAD	30 Jul '21	-	-	-	-	-	-	-1.35
Global Investment Grade Credit Fund Investor CAD (Hedged) Income	0.840	CAD	25 Jun '18	-0.32	1.90	1.90	4.85	-	-	4.58
Bloomberg Global Aggregate Credit Index (CAD Hedged)	-	-	-	0.08	2.18	1.36	5.62	-	-	5.37

The 12 months rolling performance can be provided upon request.

**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

## Global Investment Grade Credit Fund (net of fees performance)

<b>Performance periods ended: 30 Sep '21</b>	<b>Unified Management Fee</b>	<b>NAV currency</b>	<b>Class Inception date</b>	<b>3 mos.</b>	<b>6 mos.</b>	<b>1 yr.</b>	<b>3 yrs.</b>	<b>5 yrs.</b>	<b>10 yrs.</b>	<b>SI</b>
Global Investment Grade Credit Fund Administrative CHF (Hedged) Accumulation	0.990	CHF	31 Jan '13	-0.68	1.29	0.68	2.75	1.11	-	1.89
Global Investment Grade Credit Fund E Class CHF (Hedged) Accumulation	1.390	CHF	06 Mar '12	-0.73	1.08	0.33	2.34	0.70	-	2.11
Global Investment Grade Credit Fund Institutional CHF (Hedged) Accumulation	0.490	CHF	10 Dec '09	-0.55	1.51	1.17	3.25	1.61	3.56	3.85
Global Investment Grade Credit Fund Institutional CHF (Hedged) Income	0.490	CHF	06 Feb '15	-0.60	1.52	1.11	3.25	1.60	-	1.97
Global Investment Grade Credit Fund Investor CHF (Hedged) Income	0.840	CHF	22 Jan '09	-0.56	1.40	0.86	2.92	1.27	3.20	4.66
Global Investment Grade Credit Fund Investor CHF (Hedged) Accumulation	0.840	CHF	10 May '11	-0.60	1.37	0.83	2.88	1.26	3.20	2.81
Global Investment Grade Credit Fund W Class CHF (Hedged) Accumulation	0.390	CHF	12 Aug '20	-0.49	1.51	1.20	-	-	-	0.88
Bloomberg Global Aggregate Credit Index (CHF Hedged)	-	-	-	-0.22	1.64	0.23	3.77	1.57	2.92	4.05
Global Investment Grade Credit Fund Institutional CZK (Hedged) Income	0.490	CZK	19 May '15	-0.21	2.02	2.11	4.80	2.43	-	2.95
Bloomberg Global Aggregate Credit Index (CZK Hedged)	-	-	-	0.15	2.25	1.25	5.36	2.57	-	2.96
Global Investment Grade Credit Fund Administrative EUR (Hedged) Income	0.990	EUR	17 Feb '09	-0.57	1.40	0.91	3.11	1.49	3.50	4.94
Global Investment Grade Credit Fund Administrative EUR (Hedged) Accumulation	0.990	EUR	17 Feb '09	-0.60	1.38	0.88	3.10	1.49	3.49	4.94
Global Investment Grade Credit Fund E Class EUR (Hedged) Income	1.390	EUR	09 Sep '10	-0.68	1.14	0.46	2.68	1.08	3.08	2.93
Global Investment Grade Credit Fund E Class EUR (Hedged) Accumulation	1.390	EUR	31 Mar '06	-0.67	1.19	0.51	2.68	1.08	3.08	3.76
Global Investment Grade Credit Fund Institutional EUR (Hedged) Income	0.490	EUR	15 Sep '08	-0.45	1.66	1.48	3.64	2.00	4.01	5.14
Global Investment Grade Credit Fund Institutional EUR (Hedged) Accumulation	0.490	EUR	15 Sep '03	-0.49	1.64	1.38	3.61	1.99	4.01	4.73
Global Investment Grade Credit Fund Investor EUR (Hedged) Accumulation	0.840	EUR	08 May '06	-0.56	1.46	1.09	3.26	1.63	3.65	4.40
Global Investment Grade Credit Fund Investor EUR (Hedged) Income	0.840	EUR	22 Jan '09	-0.49	1.55	1.10	3.28	1.64	3.66	5.22
Global Investment Grade Credit Fund R Class EUR (Hedged) Income	0.760	EUR	30 Nov '12	-0.50	1.58	1.21	3.33	1.71	-	2.52
Global Investment Grade Credit Fund T Class EUR (Hedged) Accumulation	1.790	EUR	30 Sep '14	-0.81	1.00	0.09	2.27	0.66	-	1.45
Global Investment Grade Credit Fund W Class EUR (Hedged) Accumulation	0.390	EUR	12 Aug '20	-0.39	1.71	1.50	-	-	-	1.15
Global Investment Grade Credit Fund W Class EUR (Hedged) Income	0.390	EUR	12 Aug '20	-0.48	1.67	1.51	-	-	-	1.13
Bloomberg Global Aggregate Credit Index (EUR Hedged)	-	-	-	-0.14	1.78	0.51	4.16	1.99	3.43	3.85
Global Investment Grade Credit Fund E Class EUR (Currency Exposure) Income	1.390	EUR	12 Dec '18	1.04	2.37	2.40	-	-	-	4.52
Global Investment Grade Credit Fund Institutional EUR (Currency Exposure) Accumulation	0.490	EUR	16 Aug '12	1.19	2.85	3.29	5.32	3.11	-	4.11
Global Investment Grade Credit Fund Administrative GBP (Hedged) Income	0.990	GBP	30 Jan '09	-0.39	1.75	1.62	3.98	2.39	4.23	5.59
Global Investment Grade Credit Fund E Class GBP (Hedged) Income	1.390	GBP	31 Mar '09	-0.52	1.59	1.17	3.58	2.00	3.82	5.31
Global Investment Grade Credit Fund Institutional GBP (Hedged) Income	0.490	GBP	11 Jul '08	-0.29	1.99	2.08	4.51	2.91	4.75	5.64
Global Investment Grade Credit Fund Institutional GBP (Hedged) Accumulation	0.490	GBP	02 Sep '05	-0.31	2.00	2.09	4.50	2.90	4.75	5.17
Global Investment Grade Credit Fund Investor GBP (Hedged) Income	0.840	GBP	22 Jan '09	-0.34	1.83	1.78	4.16	2.55	4.38	5.78

The 12 months rolling performance can be provided upon request.

**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

## Global Investment Grade Credit Fund (net of fees performance)

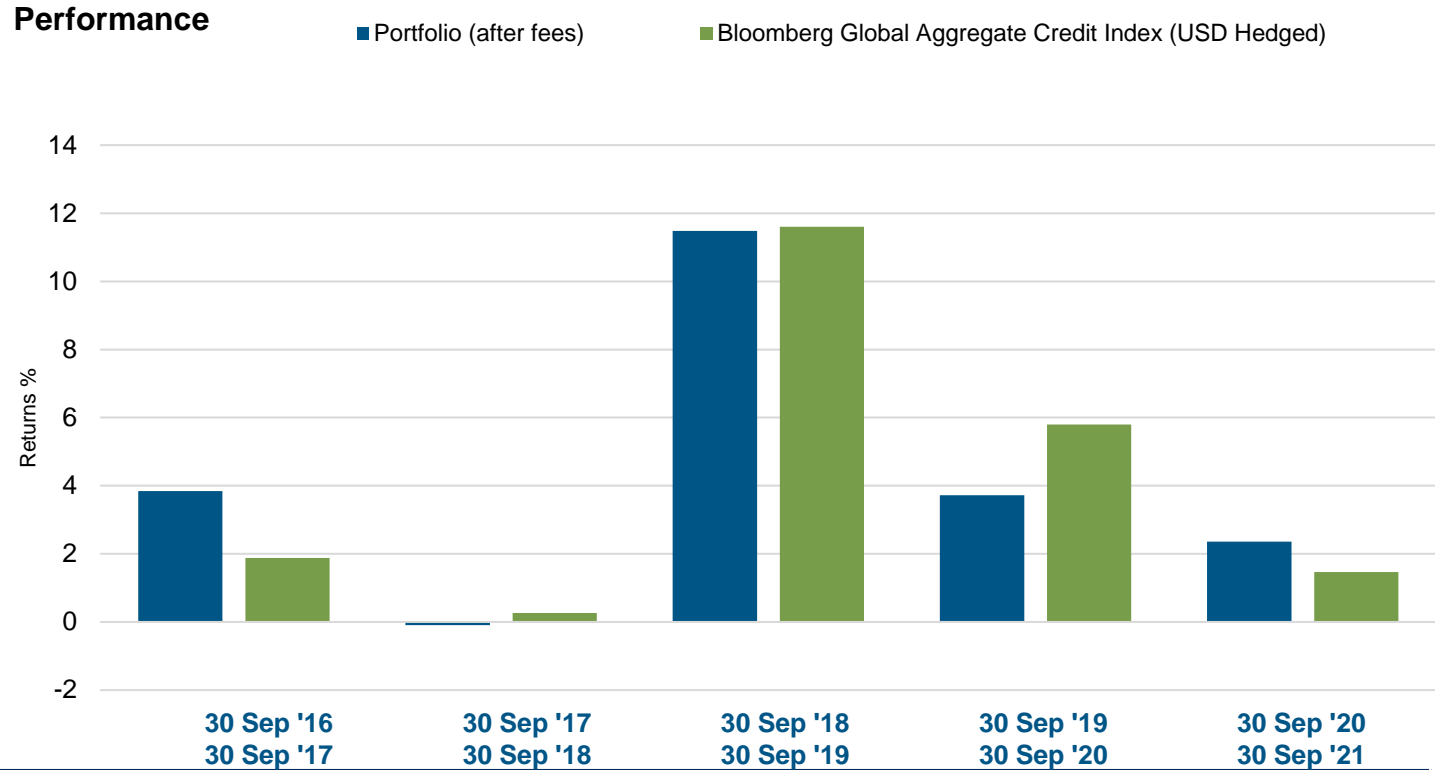
Performance periods ended: 30 Sep '21	Unified Management Fee	NAV currency	Class Inception date	3 mos.	6 mos.	1 yr.	3 yrs.	5 yrs.	10 yrs.	SI
Global Investment Grade Credit Fund R Class GBP (Hedged) Income	0.760	GBP	30 Nov '12	-0.33	1.86	1.87	4.22	2.64	-	3.32
Global Investment Grade Credit Fund W Class GBP (Hedged) Accumulation	0.390	GBP	12 Aug '20	-0.20	2.10	2.20	-	-	-	1.85
Global Investment Grade Credit Fund W Class GBP (Hedged) Income	0.390	GBP	12 Aug '20	-0.27	1.97	2.22	-	-	-	1.85
Bloomberg Global Aggregate Credit Index (GBP Hedged)	-	-	-	0.01	2.11	1.19	5.09	2.94	4.18	4.46
Global Investment Grade Credit Fund Administrative HKD (Unhedged) Income	0.990	HKD	28 Jul '17	-0.09	2.02	2.23	5.06	-	-	3.70
Global Investment Grade Credit Fund M Retail HKD (Unhedged) Income	1.390	HKD	28 Jul '17	-0.20	1.81	1.92	4.67	-	-	3.29
Global Investment Grade Credit Fund Institutional HUF (Hedged) Income	0.490	HUF	07 Apr '15	-0.11	2.24	2.65	4.30	2.60	-	3.00
Bloomberg Global Aggregate Credit Index (HUF Hedged)	-	-	-	0.19	2.44	1.73	4.86	2.59	-	2.93
Global Investment Grade Credit Fund Institutional ILS (Hedged) Accumulation	0.490	ILS	13 May '10	-0.35	1.85	1.79	4.28	2.69	4.67	4.81
Bloomberg Global Aggregate Credit Index (ILS Hedged)	-	-	-	-0.01	2.01	0.97	4.62	2.54	4.16	4.39
Global Investment Grade Credit Fund Institutional NOK (Hedged) Accumulation	0.490	NOK	18 Jan '12	-0.27	2.01	2.16	4.69	3.18	-	5.01
Bloomberg Global Aggregate Credit Index (NOK Hedged)	-	-	-	0.06	2.17	1.31	5.24	3.18	-	4.64
Global Investment Grade Credit Fund Institutional PLN (Hedged) Income	0.490	PLN	10 Jun '15	-0.31	1.89	2.03	4.97	3.58	-	4.50
Bloomberg Global Aggregate Credit Index (PLN Hedged)	-	-	-	0.00	2.07	1.06	5.55	3.69	-	4.50
Global Investment Grade Credit Fund Administrative SEK (Hedged) Accumulation	0.990	SEK	13 Dec '12	-0.40	1.64	1.31	3.33	1.57	-	2.47
Global Investment Grade Credit Fund Institutional SEK (Hedged) Accumulation	0.490	SEK	04 Dec '09	-0.34	1.87	1.81	3.86	2.08	4.38	4.80
Bloomberg Global Aggregate Credit Index (SEK Hedged)	-	-	-	-0.02	2.01	0.88	4.42	2.07	3.79	4.22
Global Investment Grade Credit Fund Administrative SGD (Hedged) Income	0.990	SGD	22 Sep '17	-0.30	1.84	1.83	4.79	-	-	3.20
Global Investment Grade Credit Fund E Class SGD (Hedged) Income	1.390	SGD	18 Jul '12	-0.44	1.59	1.36	4.33	2.78	-	3.43
Global Investment Grade Credit Fund Institutional SGD (Hedged) Income	0.490	SGD	30 Oct '15	-0.22	2.05	2.27	5.28	3.70	-	4.63
Global Investment Grade Credit Fund Investor SGD (Hedged) Income	0.840	SGD	23 May '18	-0.33	1.89	1.90	4.90	-	-	4.53
Global Investment Grade Credit Fund W Class SGD (Hedged) Income	0.390	SGD	13 Oct '20	-0.18	2.17	-	-	-	-	1.81
Bloomberg Global Aggregate Credit Index (SGD Hedged)	-	-	-	0.08	2.23	1.47	5.83	3.70	-	4.47

The 12 months rolling performance can be provided upon request.

**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

## 12-month rolling performance (Institutional class, Accumulation Shares)



	30 Sep '16 30 Sep '17	30 Sep '17 30 Sep '18	30 Sep '18 30 Sep '19	30 Sep '19 30 Sep '20	30 Sep '20 30 Sep '21
Before fees (%)	4.35	0.39	12.03	4.23	2.86
After fees (%)	3.84	-0.10	11.48	3.72	2.36
Bloomberg Global Aggregate Credit Index (USD Hedged) (%)*	1.88	0.26	11.60	5.80	1.46
Before fees alpha (bps)	247	13	43	-157	141
After fees alpha (bps)	196	-36	-12	-208	90

As of 30 September 2021. SOURCE: PIMCO.

The fund is actively managed in reference to the Bloomberg Global Aggregate Credit Index (USD Hedged) Index as further outlined in the prospectus and key investor information document

\*The benchmark is shown for performance comparison purpose only. Benchmark: Bloomberg Global Aggregate Credit Index (USD Hedged) 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

The 12 months rolling performance can be provided upon request.

# 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

---

**A word about risk:** 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. Sovereign securities are generally backed by the issuing government, obligations of U.S. Government agencies and authorities are supported by varying degrees but are generally not backed by the full faith of the U.S. Government; portfolios that invest in such securities are not guaranteed and will fluctuate in value. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and while generally supported by a government, government-agency or private guarantor there is no assurance that the guarantor will meet its 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. **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. © 2021.

## 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 Bloomberg Global Aggregate Credit Index (USD Hedged) 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.

# Important Disclosures

---

**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.

**PIMCO Europe Ltd (Company No. 2604517)** is authorised and regulated by the Financial Conduct Authority (12 Endeavour Square, London E20 1JN) in the UK. The services provided by PIMCO Europe Ltd are not available to retail investors, who should not rely on this communication but contact their financial adviser. **PIMCO Europe GmbH (Company No. 192083, Seidlstr. 24-24a, 80335 Munich, Germany), PIMCO Europe GmbH Italian Branch (Company No. 10005170963), PIMCO Europe GmbH Irish Branch (Company No. 909462), PIMCO Europe GmbH UK Branch (Company No. 2604517) and PIMCO Europe GmbH Spanish Branch (N.I.F. W2765338E)** are authorised and regulated by the German Federal Financial Supervisory Authority (BaFin) (Marie-Curie-Str. 24-28, 60439 Frankfurt am Main) in Germany in accordance with Section 15 of the German Securities Institutions Act (WpIG). The Italian Branch, Irish Branch, UK Branch and Spanish Branch are additionally supervised by: (1) Italian Branch: the Commissione Nazionale per le Società e la Borsa (CONSOB) in accordance with Article 27 of the Italian Consolidated Financial Act; (2) Irish Branch: the Central Bank of Ireland in accordance with Regulation 43 of the European Union (Markets in Financial Instruments) Regulations 2017, as amended; (3) UK Branch: the Financial Conduct Authority; and (4) Spanish Branch: the Comisión Nacional del Mercado de Valores (CNMV) in accordance with obligations stipulated in articles 168 and 203 to 224, as well as obligations contained in Title V, Section I of the Law on the Securities Market (LSM) and in articles 111, 114 and 117 of Royal Decree 217/2008, respectively. The services provided by PIMCO Europe GmbH are available only to professional clients as defined in Section 67 para. 2 German Securities Trading Act (WpHG). They are not available to individual investors, who should not rely on this communication. | **PIMCO (Schweiz) GmbH (registered in Switzerland, Company No. CH-020.4.038.582-2)**. The services provided by PIMCO (Schweiz) GmbH are not available to retail investors, who should not rely on this communication but contact their financial adviser.

This presentation contains the current opinions of the manager and such opinions are subject to change without notice. This presentation has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this presentation may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America L.P. in the United States and throughout the world. © 2021 PIMCO.

## Additional Information/Documentation

A Prospectus is available for PIMCO Funds 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](http://www.fundinfo.com) and is available in English, French, German, Italian, Portuguese and Spanish.

The KIIDs can be obtained from [www.fundinfo.com](http://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](http://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.



# 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)