

December 2007

PIMCO Funds: Global Investors Series plc

Total Return Bond Fund - Class H Retail Accumulation

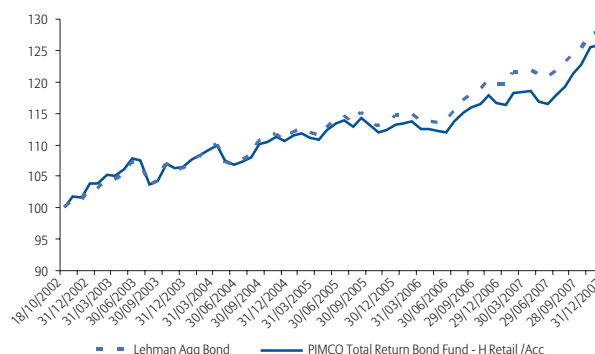


Research view downloadable from MERCERFundWatch.com ++

Market Commentary

- US Treasury Markets Post Strong Returns in 2007 as the Fed Cuts Rates
- US economic data was mixed in December while the marketplace continued to respond to the subprime and credit crisis. Early in the month President Bush unveiled a plan to freeze a small subset of adjustable rate mortgages in an effort to limit home foreclosures. Major central banks remained vigilant in light of the global credit squeeze, as seen by the Federal Reserve, which noted its intention to lend dollars to central banks within Europe. In addition, the FOMC voted to reduce the federal funds and discount rate by -25 basis points, but remarked "elevated energy and commodity prices, among other factors, may put upward pressure on inflation."
- Inflation inched higher by all measures. Importantly, core PCE moved outside the Fed's perceived comfort zone of +2.0 percent, to +2.2 percent year-over-year. The final reading of third quarter GDP growth came in at +4.9 percent, identical to the prior month's estimate. Growth in consumption was offset by downward revisions in residential investment and government spending. New home sales continued to plunge, as seen by a -9.0 percent drop in November. However, existing homes sales increased modestly.

Performance in US\$



Performance History (in US\$, %)

	YTD	1Mth	3Mth	6Mth	1Yr	3Yr	5Yr	Since Inception
Fund (Nav - Nav)	7.84	0.29	3.71	8.11	7.84	12.97	21.19	25.85
Benchmark	6.96	0.28	3.00	5.94	6.96	14.31	24.17	27.79
per annum						3Yr	5Yr	Since Inception
Fund (Nav - Nav)						4.15	3.92	4.52
Benchmark						4.56	4.42	4.83

Sector Allocation

Percent of Market Value	31/12/07
Government / Agency	14.0%
Mortgage	68.0%
Investment Grade Credit	8.0%
High Yield Credit	2.0%
Non-US Developed	4.0%
Emerging Markets	3.0%
Net Cash & Equivalents	1.0%

Fund Statistics

Weighted Average Coupon	5.36%
Weighted Average Credit Quality	AA+
Weighted Average Maturity	6.87yrs
Estimated Duration	5.32yrs

Source for line charts: AllianzGI / Morningstar Fund Services. The performance returns are for Class H Retail and are calculated in US\$ on NAV-to-NAV basis, after fees with dividends reinvested.

Source for performance datas: AllianzGI/ Morningstar Fund Services. The performance returns are for Class H Retail and are calculated in US\$, after fees with dividends reinvested. Annualised returns for funds in existence at least one year, otherwise cumulative.

Source for market commentary, portfolio breakdown, fund statistics and market outlook & strategy: PIMCO.

**The ratings are effective for one year. The ratings are designed for use in Singapore only and have not been customised for any specific person or any particular class of persons. For details, please see research view from MercerFundWatch.com.

The Benchmark is: Lehman Brothers U.S. Aggregate Index. The Lehman Brothers U.S. Aggregate Index represents securities that are SEC- registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Please note that the base currency of the Fund is in US dollars. Therefore, the Singapore dollar investment amount will be converted into US dollars before calculating the number of Shares allotted. Investors investing in funds denominated in US dollars should be aware of the risk of exchange rate fluctuations that may cause a loss of principal when US dollars is converted back to the investors' home currency.

The Manager may use or invest in financial derivative instruments other than for the purposes of hedging and/or efficient portfolio management.

The above is strictly for information purposes only and should not be considered as an offer or solicitation to buy or sell units in any of the AllianzGI Funds for which Allianz Global Investors Singapore Limited (Co. Regn. No. 199907169Z) acts as the Singapore Representative. Investments in the AllianzGI Funds are not obligations of, deposits, or guaranteed by the Singapore Representative and are subject to investment risks, including the possible loss of the principal amount invested. Prices of units and the income from them may fall as well as rise and cannot be guaranteed. Past performance of the Funds and the Manager are not necessarily a guide to future performance. The prospectus of the Funds are available and can be obtained from the Singapore Representative or any of its appointed distributors. Investors should read the prospectus for details before investing. The Singapore Representative reserves the right to make changes or corrections to its opinions expressed in this fact sheet at any time, without notice. Comments made herein are not necessarily indicative of future or likely performance of the Funds and are based on information as at 31/12/07 unless otherwise stated.

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Allianz 
Global Investors

Portfolio Recap

- The Fund performed in line with its benchmark
- Slightly above benchmark duration positioning was neutral for returns, as yield movements in major developed countries had offsetting effects. An emphasis on short maturities in the US and the UK contributed to returns, as both yield curves steepened, as measured by the difference between 2- and 30-year yields. Above benchmark exposure to mortgages was positive for performance as this sector outperformed like-duration Treasuries. However, an underweight to corporate bonds detracted from performance, as investment grade corporates also outperformed like-duration Treasuries. Security selection in both sectors had offsetting effects
- Beyond the core sectors, modest exposure to emerging market and high yield bonds modestly helped returns, driven by modest spread tightening and security selection respectively. Tactical exposure to Treasury Inflation Protected Securities was negative for the Fund as these instruments underperformed their nominal counterparts. Finally, positions in a broad basket of currencies had offsetting effects, as the US dollar was mixed versus most major currencies

Portfolio Manager

William H. Gross, CFA

Mr. Gross is a founder and Managing Director of PIMCO. He is the author of numerous articles on the bond market, and has appeared on CNN, CNNfn, CNBC, Fox Financial News and Reuters. Morningstar elected Mr. Gross as their 1998 and 2000 Fixed Income Manager of the Year¹. In a survey conducted by Pensions and Investments magazine in 1993, Mr. Gross was recognized by his peers as the most influential authority on the bond market in the United States. He has 35 years of investment experience and holds a bachelor's degree from Duke University and an MBA from UCLA Graduate School of Business.

Fund Facts

▶ Inception Date	15 October 2002
▶ Fund Size	USD 4,165.3 mil (all classes)
▶ Type of Class / Share	H Retail / Accumulation
▶ Fund Currency	US Dollar
▶ Minimum Initial Investment	SGD 1,000
▶ Investment Type	Cash & SRS
▶ Dealing	Daily
▶ Initial Fee	5%
▶ Management Fee	1.25% per annum
▶ Realisation Charge	Nil
▶ Switching Fee	1%
▶ Bloomberg Ticker	PIMTHRA
▶ ISIN Code	IE003213466
▶ Portfolio Manager	William Gross
▶ Objective	Seeks to maximise total return, consistent with preservation of capital and prudent investment management
▶ Portfolio	Primarily intermediate-term investment grade fixed income securities
▶ Total Expense Ratio	1.38%

¹ The Morningstar "Fixed Income Manager of the Year" was awarded in January 1999 and 2001. Winners are chosen based on Morningstar's own research and in-depth evaluation by its senior editorial staff.

* As of 30/06/04 + As of 30/09/07

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Market Outlook & Strategy

- Heightened Recession Risk Threatens Global Soft Landing
- US Slowdown - The US economy will slow down over the next year as weakness in the property market spills over into the broader economy, especially employment at bank-dependent small businesses and larger companies with mainly domestic operations. Consumer spending, which has held up so far, is unlikely to retain its vigor.
- Less Decoupling of Growth - Financial market linkages have been just as strong in Europe and the UK, which have their own problems with an over-leveraged "shadow" banking system of off-balance sheet structures and conduits. Credit tightening in these regions is likely to make decoupling of their growth from the US a less robust proposition.
- Japan to Decelerate - The immediate reason is tighter zoning laws that are hurting construction but another burden will be weak consumer spending, which has not revived along with business investment. Conservative lending by Japanese banks is likely to cool growth in capital spending, at least among small businesses.
- Decoupling Still Valid in China - Chinese growth should remain strong with signs of a shift in investment toward the domestic economy and away from export-oriented sectors. China's biggest challenge will be maintaining the undervalued yuan.
- And Other Emerging Markets - Emerging market financial conditions remain generally strong thanks to improving domestic fundamentals, large stores of currency reserves and positive terms of trade amid soaring commodity prices. To date, however, most emerging economies have not used their wealth to stimulate their domestic economies in any significant way. The result is that emerging countries are contributing less to global growth than they could be.

About PIMCO

PIMCO is the leading, global institutional money manager specializing in fixed-income investments headquartered in Newport Beach, CA. The firm offers innovative fixed income strategies designed to outperform benchmark indices over longer time periods. Clients include corporate pension plans, foundations, endowments, public retirement plans, corporate treasury departments, governments, high-net worth families and retail investors.

In addition to being one of the largest active, fixed-income managers in America, PIMCO offers service in London, Munich, Singapore, Sydney and Tokyo. In 2000, European insurance giant Allianz AG acquired a majority interest in PIMCO and made the firm its global fixed-income manager.

- Asset under management: \$720.6 billion⁺
- Clients include over half of the Fortune 100^{*}
- Number of investment professionals: 336⁺

Investment Process

In managing the Fund, PIMCO employ both top-down and bottom-up strategies:

- Our top-down investment process starts with an annual secular forum at which PIMCO investment professionals develop a three-to-five-year outlook for the global economy and interest rates. Our secular or long-term outlook determines the basic portfolio parameters, including duration, yield-curve positioning (allocation across various maturities), sector weightings and credit quality.
- Bottom-up strategies drive our security selection process and facilitate the identification and analysis of undervalued securities. Here, we employ advanced proprietary analytics and expertise in all major fixed income sectors.