



# PIMCO Total Return Bond Fund

## Building a solid investment foundation

Strong roots don't just allow a tree to grow – they provide support and the capacity for a tree to branch out and flourish. Similarly, wealth can only be accumulated with a sound investment foundation. Renowned for its reliable performance of consistent returns and long-term growth, the PIMCO Total Return Bond Fund is the world's largest total return strategy\*.

2011 Second Quarter



\* Source: Bloomberg, as at 1 April 2011.

Past performance of the fund is not indicative of future performance.

# Fund Strengths

- Consistent and positive annual returns<sup>^</sup> since launch in 1998
- A “core investment” to accumulate wealth
- Managed by the “Bond King”<sup>@</sup>, Bill Gross

@ Source: Fortune Magazine, 2001.

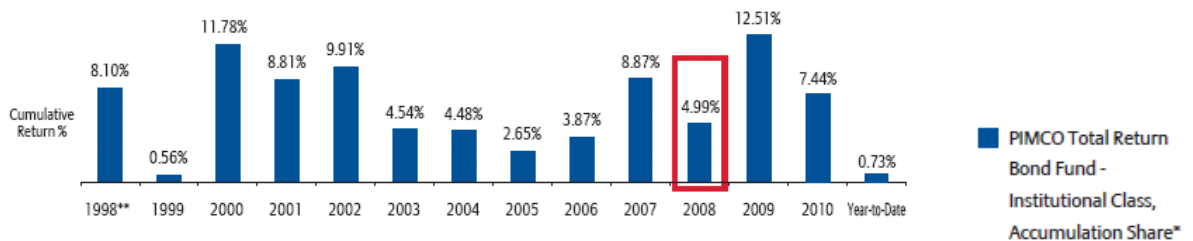
## Consistent and positive annual returns since launch

### Positive, steady returns<sup>^</sup>

The PIMCO Total Return Bond Fund – Institutional Class, Accumulation Share\* has recorded positive and steady annual returns since its launch in 1998. Throughout its 12-year history, the Fund has demonstrated an impressive ability to weather various market cycles, as shown by graph 1, resulting in an annualized return since inception of 6.77%. Even during the global financial crisis of 2008, when the market performed badly, the Fund achieved a positive return of 4.99%.

Positive and steady annual returns for the past 12 years

Graph 1



<sup>^</sup>Past performance of the fund manager(s) and the fund is not indicative of future performance.

### Higher potential returns at lower risk

Such an impressive result is attributed to the Fund’s lower risk approach in delivering returns. As illustrated below, in terms of three-year risk-return profile, the PIMCO Total Return Bond Fund – Class E Accumulation outperformed other fixed income funds by delivering higher returns at a lower risk.

Graph 2



\* Because of its longer history, the PIMCO Total Return Bond Fund – Institutional Class, Accumulation Share is used to show its ability to weather various market cycles. This share class was inception in January 1998 and has a management fee of 0.50%. Retail investors can subscribe for the PIMCO Total Return Bond Fund – Class E Accumulation Share. The inception date of this share class was on 31 March 2006.

\*\* Performance was calculated since inception in January 1998 till 31 December 1998.

\*\*\* Source: Morningstar, as at 28 February 2011.

Sources: Allianz Global Investors/PIMCO/Morningstar, as at 28 February 2011. Past performance of the fund manager(s) and the fund is not indicative of future performance. Fund performance is calculated in USD on a NAV-to-NAV basis with gross dividends re-invested. Investment returns are denominated in USD. EUR/HKD/SGD based investors are exposed to non-EUR/HKD/SGD foreign exchange fluctuations. Graph 1 is based on Institutional Class, Accumulation Share; whereas Graph 2 is based on Class E Accumulation Share. Data used for Graph 2 is from 3 January 2008 to 28 February 2011.

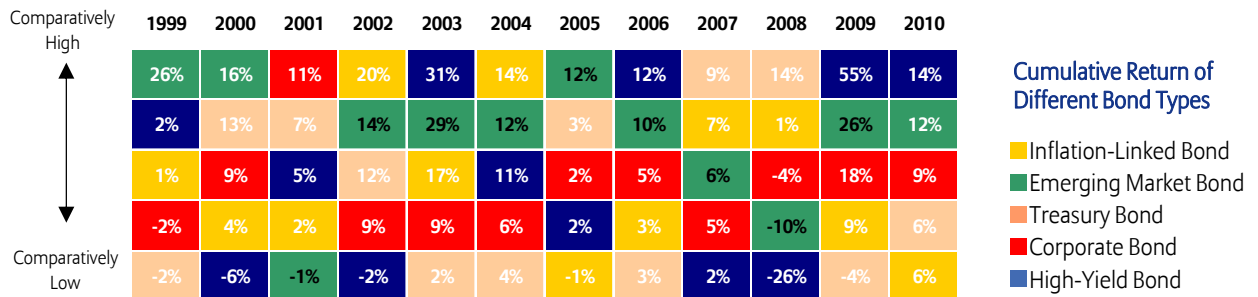




## A “core investment” to accumulate wealth

### A “core investment” to capture different investment opportunities

History tells us that no single bond type can be an all-time winner (see the below graph). It is of the utmost importance to have a “core investment” in your portfolio to serve as the foundation with which to capture different investment opportunities arising out of the ever-changing market cycle and to accumulate wealth.

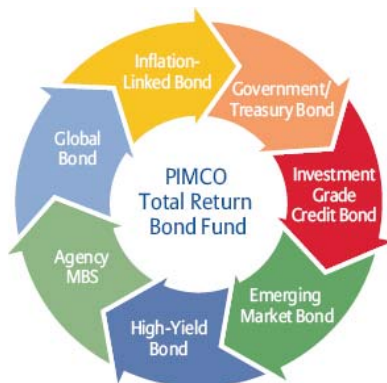


Source: Morningstar, as at 31/12/2010. “Inflation-Linked Bond” represented by Barclays Capital World Government Inflation-Linked Bond Index; “Emerging Market Bond” by JPMorgan Emerging Markets Bond Index+; “Treasury Bond” by Citi Treasury Bond Index; “Corporate Bond” by Citi Corporate Bond Index; and “High-Yield Bond” by Citi High-Yield Market Index.

### The PIMCO Total Return Bond Fund invests in a diversity of bond types

As it is impossible to time the US Federal Reserve’s moves, it may be better to consider staying the course with a diversified bond portfolio during a rising rate environment.

The PIMCO Total Return Bond Fund is a diversified portfolio. With the flexibility to allocate fund assets across a wide range of bonds, the PIMCO Total Return Bond Fund is undoubtedly an ideal “core investment” choice.



The PIMCO Total Return Bond Fund is good at capturing the growth potentials offered in various market cycles.

## Managed by the “Bond King”, Bill Gross

Bill Gross, Fund Manager of the PIMCO Total Return Bond Fund, is one of the most influential investment gurus in the world.

- Founder and Co-CIO of PIMCO, the world’s largest bond fund manager\*
- Named as “Fixed Income Manager of the Decade” by Morningstar\*\*
- The only manager to be named “Fixed Income Manager of the Year” three times by Morningstar\*\*\*
- “...in the eyes of US investors, Bill Gross is perceived to have higher intelligence than Warren Buffet. ... The views of Bill Gross are always meticulously analyzed and are valuable at all times.”\*\*\*\*

\* Source: Allianz Global Investors, as at 31 December 2010. PIMCO’s AuM is over USD1.24 trillion.

\*\* Source: Morningstar. The award was won in the year 2010.

\*\*\* Source: Morningstar. The awards were won in the years 2007, 2000 and 1998.

\*\*\*\* Source: 30 October 2009 issue of Hong Kong Economic Journal.

\*\*\*\*\* October 2009 issue of PIMCO Spotlight.

Past performance of the fund manager (s) and the fund is not indicative of future performance.



According to Morningstar, Bill Gross possesses “excellent investment skill, the courage to differ from consensus, and the commitment to shareholders necessary to deliver outstanding long term performance.” \*\*\*\*\*

## High recognition by independent investment research providers

Independent investment research providers, such as Morningstar, Lipper and Standard & Poor’s, have assigned high ratings to the PIMCO Total Return Bond Fund. Comments about the Fund include:

Investment Research Provider	Rating	Rating Description
Overall Morningstar Rating™ *	★★★★★	Relative to its peers, the fund is within the top 10% for performance.
Morningstar Qualitative Rating™ *	 Elite	“Elite” ratings are assigned to the funds that Morningstar analysts believe are capable of outperforming their peers over the long term and must be significantly better than its peers in most key respects.
Lipper Leaders †	5 Total Return	Relative to its peers, the fund has the highest accumulative total return.
	5 Consistent Return	Relative to its peers, the fund has the steadier risk-adjusted return.
	5 Preservation	Relative to its peers, the fund has the highest preservation ability under various market cycles.
Standard & Poor’s Fund Management Rating **		Relative to those peers with similar objectives, the fund will be assigned an “AAA” rating if it demonstrates the highest standards in terms of the investment process and performance consistency of the management team. Compared to V5, bond funds with a V3 rating are relatively steadier during volatile market conditions.

“The experienced, well-resourced team and effective process enable the fund to retain its S&P AAA/V3 rating.” \*\*

\* Source: Morningstar / Lipper, as at 28 February 2011. Fund performance is based on Institutional Class, Accumulation Share, calculated in USD on a NAV-to-NAV basis with gross dividends re-invested.

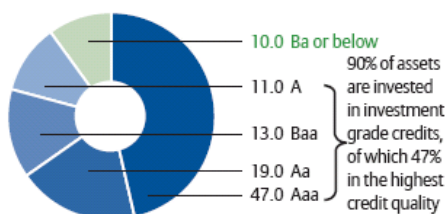
\*\* Source: PIMCO/Standard & Poor’s Fund Management Rating Report, as at 28 February 2011.

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# Fund Highlights

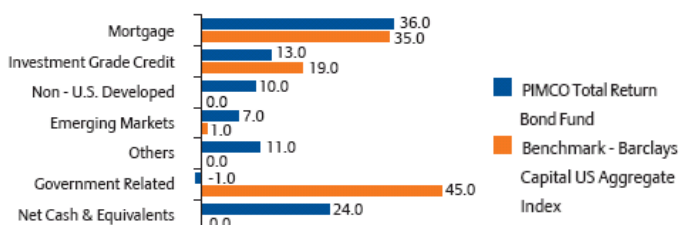
## Credit Quality %<sup>1</sup>

- Average credit quality: AA-



## Sector Allocation %<sup>1</sup>

- Major holdings in mortgage



## Fund Performance<sup>1</sup>

Year-to-Date	2010	2009	2008	2007	2006*
	0.58%	6.46%	11.50%	4.08%	7.85%
					3.77%

## Quarterly Dividend History – Class E Income

Ex-Dividend Date	29 Dec 2010	29 Sep 2010	29 Jun 2010	30 Mar 2010
Annualized Dividend Yield**	1.60%	1.66%	1.02%	1.71%

## Fund Details<sup>1</sup>

	Class E Income (USD)	Class E Accumulation (USD)	Class E Accumulation (SGD Hedged)	Class E Accumulation (Euro Hedged)
Benchmark	Barclays Capital US Aggregate Index			
Fund Manager	Bill Gross			
Initial Fee	Up to 5%			
Dealing Date	Daily			
Dividend Frequency ***	Quarterly	N.A		
Annual Management Fee	1.40% p.a.	1.40% p.a.	1.40% p.a.	1.40% p.a.
Minimum Investment	USD 5,000	USD 5,000	SGD5,000	EUR5,000
Inception Date	10/10/2005	31/03/2006	15 Feb 2007	31 March 2006
ISIN Code	IE00B0M2Y900	IE00B11XZ988	IE00B1LHWR71	IE00B11XZB05
Bloomberg Ticker	PTRUJHA ID	PTRBDFE ID	PIMTRSG	PIMTRBA ID

\* Performance was calculated since inception in March 2006 till 31 Dec 2006.

\*\* Annualized Dividend Yield =  $[(1 + \text{Dividend Per Share/Ex-Dividend Date NAV})^4 - 1] \times 100$

\*\*\* The dividend payouts are not guaranteed and might change depending on the market conditions or at the Manager's discretion

<sup>1</sup> Source: Allianz Global Investors / PIMCO, as at 28 February 2011. Past performance of the fund manager(s) and the fund is not indicative of future performance. Fund performance is based on Class E Accumulation, calculated in USD on a NAV-to-NAV basis with gross dividends re-invested. Investment returns are denominated in USD. EUR/HK/SGD based investors are exposed to non-EUR/HK/SGD foreign exchange fluctuations.

# Main Product Risks

	Opportunities	Risks
<b>Interest Rate Risk</b>	Bonds provide steady interest income, offer capital gains opportunities and tend to be relatively stable in price.	When interest rates rise, the value of fixed income securities is likely to decrease. Securities of longer duration tend to be more sensitive to changes in interest rate, usually making them more volatile than securities of shorter duration.
<b>Credit Risk</b>	Bond funds that are concentrated in investing in bonds of high credit quality may possess lower credit risk.	Investments may record a loss when the issuer is unable to make timely principal and/or interest payments, or to otherwise honor obligations.
<b>Counterparty Risk</b>	Bond funds that are transacted with companies of strong financial strength may possess lower counterparty risk.	The use of a derivative instrument involves the risk that a loss may be sustained as a result of the counterparty's failure to make the required payments or otherwise comply with the contract's terms.

*Please refer to the prospectus for the potential risks to the product.*

# Allianz Global Investors

Wholly-owned by the Allianz Group of Germany, Allianz Global Investors (“AllianzGI”) is currently the second largest asset management group in the world with USD 1.9 trillion in total assets under management. Our parent Allianz Group is one of the largest integrated financial services providers globally with a AA financial strength rating by Standard & Poor's.<sup>2</sup>

The AllianzGI family of brands includes PIMCO, RCM and Allianz Global Investors Capital. Through our world-class investment management brands, we offer a diverse range of investment competencies covering a variety of equity and fixed income styles.

<sup>2</sup>. Source: Allianz Global Investors, as at 30 September 2010.

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This material has not been reviewed by the Monetary Authority of Singapore.

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