PIMCO

PIMCO Model Portfolios

May 2026 Update

PIMCO MODEL RANGE

Fixed Income
- Enhanced Core
- Income Focus

Multi Asset
- Conservative
- Balanced
- Growth

IMPORTANT NOTICE
Please note that the following 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.

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Economic & Market

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MARKET REVIEW

Financial markets were volatile during the first quarter of 2026 as a geopolitical conflict in the Middle East sparked concerns over energy markets, driving global sovereign yields higher on fears of elevated inflation. Equities generally fell and spreads modestly widened in response to the geopolitical turmoil and concerns around AI-related disruptions driving dispersion between winners and losers. The U.S. paused its cutting cycle amid an uncertain inflation trajectory given energy price uncertainty and tailwinds from the 2025 tax cuts, despite softer employment prints. Although the U.S. Supreme Court struck down the U.S Administration’s prior tariffs, they were quickly replaced by comparable tariff levels utilizing different statutes. A directive for the GSEs to purchase Agency MBS also provided technical tailwinds to the mortgage market. Globally, the conflict in the Middle East drove commodities higher and markets faced continued uncertainty as global shipping routes became constrained. In Asia, reforms in South Korea drove a significant rally in local equities while China modestly lowered its growth target to its lowest level in decades.

PORTFOLIO ADJUSTMENTS

- **Fixed Income Adjustments:** Across the fixed income models, we increased allocations to the PIMCO Global Bond Fund and PIMCO Australian Bond Fund while reducing exposure to the PIMCO Income Fund. As sovereign yields moved higher across Australia, the U.S. and other developed markets, we saw a more compelling opportunity in high-quality core fixed income. These changes enhance portfolio resilience and duration exposure while maintaining an attractive income profile amid heightened geopolitical uncertainty.

- **Quality Bias Within Defensive Assets:** We maintained allocations to the PIMCO Australian Low Duration Bond Fund and PIMCO Capital Securities Fund in select models. The Low Duration Fund continues to support overall portfolio resilience and duration management, while Capital Securities provides attractive income potential following modest spread widening and remains supported by strong bank capital positions.

- **Equity Rebalancing:** Within the multi-asset portfolios, changes were focused on improving regional and currency positioning rather than materially altering overall equity risk. In the Balanced Model, we increased exposure to Emerging Markets equities and reduced Unhedged International Equities, reflecting more attractive relative valuations across emerging markets. In the Growth Model, we increased exposure to Hedged International Equities and reduced Unhedged International Equities as we see potential for the Australian dollar to appreciate from current levels given its relatively high carry and status as a net energy exporter.

APPROACH

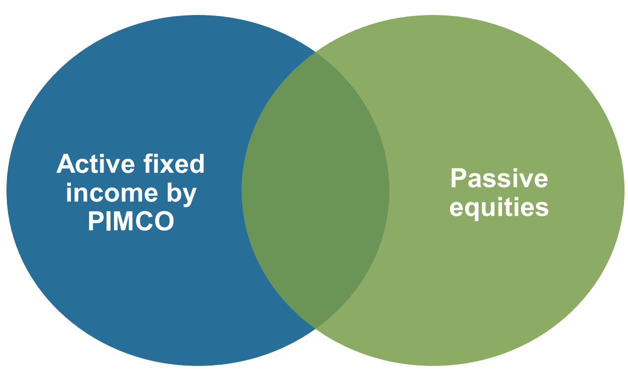
Income Orientation

- Designed to help address spending needs through the pursuit of an attractive income distribution
- An income-based approach may lead to greater flexibility and increased asset longevity

Growth Potential

- Designed to offer growth potential to help investors seeking to maintain or increase their balances
- Analysis to support client decisions balancing sustainable spending levels and legacy wealth objectives

Implemented in a simple, cost-efficient manner



“Active where it matters, passive where it saves.”

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Portfolio Adjustments

FIXED INCOME - ENHANCED CORE MODEL - QUARTERLY UPDATE

	31/10/2025	30/04/2026	Change
DEFENSIVE			
PIMCO Global Bond Fund	27%	29%	+2%
PIMCO Australian Bond Fund	38%	40%	+2%
PIMCO Income Fund (AUD)	30%	26%	-4%
PIMCO Global Credit Fund	0%	0%	-
PIMCO Australian Low Duration Bond Fund	5%	5%	-
CASH			
Cash	1%	1%	-

FIXED INCOME – INCOME FOCUS MODEL - QUARTERLY UPDATE

	31/10/2025	30/04/2026	Change
DEFENSIVE			
PIMCO Global Bond Fund	20%	22%	+2%
PIMCO Australian Bond Fund	25%	27%	+2%
PIMCO Income Fund (AUD)	50%	46%	-4%
PIMCO Global Credit Fund	0%	0%	-
PIMCO Capital Securities Fund (AUD)	5%	5%	-
CASH			
Cash	1%	1%	-

Portfolio Adjustments

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MULTI ASSET – CONSERVATIVE MODEL - QUARTERLY UPDATE

	31/10/2025	30/04/2026	Change
DEFENSIVE			
PIMCO Global Bond Fund	14%	15%	+1%
PIMCO Australian Bond Fund	18%	19%	+1%
PIMCO Income Fund (AUD)	35%	33%	-2%
PIMCO Global Credit Fund	0%	0%	-
PIMCO Capital Securities Fund (AUD)	3%	3%	-
GROWTH			
Macquarie True Index Global Infrastructure Securities	3%	3%	-
Macquarie True Index Global Real Estate Securities	0%	0%	-
iShares Hedged International Equity Index	2%	2%	-
iShares Unhedged International Equity Index	6%	6%	-
Vanguard Australian Index	9%	9%	-
Vanguard FTSE Emerging Markets Shares	2%	2%	-
Macquarie Core Australian Equity Active	5%	5%	-
Macquarie Core Global Equity Active	3%	3%	-
CASH			
Cash	1%	1%	-

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Portfolio Adjustments

MULTI ASSET – BALANCED MODEL - QUARTERLY UPDATE

	31/10/2025	30/04/2026	Change
DEFENSIVE			
PIMCO Global Bond Fund	10%	11%	+1%
PIMCO Australian Bond Fund	13%	14%	+1%
PIMCO Income Fund (AUD)	25%	23%	-2%
PIMCO Global Credit Fund	0%	0%	-
PIMCO Capital Securities Fund (AUD)	2%	2%	-
GROWTH			
Macquarie True Index Global Infrastructure Securities	4%	5%	+1%
Macquarie True Index Global Real Estate Securities	2%	0%	-2%
iShares Hedged International Equity Index	4%	5%	+1%
iShares Unhedged International Equity Index	10%	9%	-1%
Vanguard Australian Index	15%	15%	-
Vanguard FTSE Emerging Markets Shares	2%	3%	+1%
Macquarie Core Australian Equity Active	8%	8%	-
Macquarie Core Global Equity Active	5%	5%	-
CASH			
Cash	1%	1%	-

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Portfolio Adjustments

MULTI ASSET – GROWTH MODEL - QUARTERLY UPDATE

	31/10/2025	30/04/2026	Change
DEFENSIVE			
PIMCO Global Bond Fund	6%	6%	-
PIMCO Australian Bond Fund	7%	8%	+1%
PIMCO Income Fund (AUD)	15%	14%	-1%
PIMCO Global Credit Fund	0%	0%	-
PIMCO Capital Securities Fund (AUD)	2%	2%	-
GROWTH			
Macquarie True Index Global Infrastructure Securities	5%	7%	+2%
Macquarie True Index Global Real Estate Securities	2%	0%	-2%
iShares Hedged International Equity Index	6%	7%	+1%
iShares Unhedged International Equity Index	14%	13%	-1%
Vanguard Australian Index	21%	21%	-
Vanguard FTSE Emerging Markets Shares	4%	4%	-
Macquarie Core Australian Equity Active	11%	11%	-
Macquarie Core Global Equity Active	7%	7%	-
CASH			
Cash	1%	1%	-

Disclosures

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