PIMCO

PIMCO FUNDS

Semiannual Report

September 30, 2022

PIMCO Real Return Fund

A company of Allianz

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Dear Shareholder,

In these challenging and uncertain times, we continue to work tirelessly to navigate markets and manage the assets that you have entrusted with us. Following this letter is the PIMCO Funds Semiannual Report, which covers the six-month reporting period ended September 30, 2022. On the subsequent pages, you will find specific details regarding investment results and discussion of the factors that most affected performance during the reporting period.

For the six-month reporting period ended September 30, 2022

The global economy continued to be affected by the COVID-19 pandemic ("COVID-19") and its variants, elevated inflation, central bank monetary policy tightening, and the repercussions from the war in Ukraine. Looking back, fourth quarter 2021 U.S. annualized gross domestic product ("GDP") grew 6.9%. The economy then experienced a setback, as first and second quarter 2022 annualized GDP was -1.6% and -0.6%, respectively, Finally, the Commerce Department's initial estimate for third quarter 2022 GDP — released after the reporting period ended — was an annualized 2.6% growth rate.

In the U.S., the Federal Reserve Board (the "Fed") took several steps to combat elevated inflation. The Fed ended its monthly asset purchases in mid-March 2022. The Fed then raised the federal funds rate 0.25% to a range between 0.25% and 0.50% in March 2022, its first rate hike since 2018. The central bank then raised rates 0.50% in its May 2022 meeting and 0.75% in its June, July and September meetings, pushing the federal funds rate to a range between 3.00% and 3.25%.

Economies outside the U.S. also grappled with high inflation, economic headwinds and issues related to the Ukrainian war. In its July 2022 World Economic Outlook Update, the International Monetary Fund ("IMF") downgraded its expectation for 2022 U.S. GDP growth to 2.3%, compared to 5.7% in 2021. Elsewhere, the IMF expects 2022 GDP to grow 2.6% in the eurozone (from 5.4% in 2021), 3.2% in the U.K. (from 7.4% in 2021), and 1.7% in Japan (the same as in 2021).

Several other central banks began tightening monetary policy during the period. In December 2021, prior to the beginning of the reporting period, the Bank of England (the "BoE") surprised the market and raised rates for the first time since COVID-19 began. The BoE again raised rates at its meetings in February, March, May, June and September 2022. The European Central Bank (the "ECB") raised rates at its meetings in July and September. In contrast, the Bank of Japan (the "BoJ") maintained its loose monetary policy.

During the reporting period, short- and long-term U.S. Treasury yields moved sharply higher. The yield on the benchmark 10-year U.S. Treasury note was 3.83% on September 30, 2022, versus 2.32% on March 31, 2022. The Bloomberg Global

Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment grade countries, including developed and emerging markets, returned -6.74%. Meanwhile, the Bloomberg Global Aggregate Credit Index (USD Hedged), a widely used index of global investment grade credit bonds, returned -10.32%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, were also weak. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below-investment-grade bonds, returned -10.40%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned -14.30%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -12.95%.

Amid periods of volatility, global equities posted weak results during the reporting period as economic and geopolitical concerns weighed on investor sentiment. U.S. equities, as represented by the S&P 500 Index, returned -20.20%. Global equities, as represented by the MSCI World Index, returned -21.37%, while emerging market equities, as measured by the MSCI Emerging Markets Index, returned -21.70%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned -5.91% and European equities, as represented by the MSCI Europe Index (in EUR), returned -12.37%.

Commodity prices were volatile and generated negative returns. Brent crude oil, which was approximately $109 a barrel at the start of the reporting period, fell to roughly $86 a barrel at the end of September 2022. We believe the oil-price decline was driven by concerns over moderating global growth. Prices of other commodities, such as copper and gold, also declined during the period.

Finally, there were also periods of volatility in the foreign exchange markets. We believe this was due to several factors, including economic growth expectations and changing central bank monetary policies, as well as rising inflation, COVID-19 variants and geopolitical events. The U.S. dollar strengthened against several major currencies. For example, during the reporting period, the U.S. dollar returned 11.43%, 14.98% and 15.92% versus the euro, the British pound and the Japanese yen, respectively.

Thank you for the assets you have placed with us. We deeply value your trust, and we will continue to work diligently to meet your broad investment needs. For any questions regarding your PIMCO Funds investments, please contact your account manager or call one of our shareholder associates at (888) 87-PIMCO. We also invite you to visit our website at pimco.com to learn more about our viewpoints.

Sincerely,

Peter G. Strelow
Chairman of the Board
PIMCO Funds

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

Important Information About the PIMCO Real Return Fund

PIMCO Funds (the "Trust") is an open-end management investment company that includes the PIMCO Real Return Fund (the "Fund").

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond funds, and fixed income securities and other instruments held by the Fund are likely to decrease in value. A wide variety of factors can cause interest rates or yields of U.S. Treasury securities (or yields of other types of bonds) to rise (*e.g.*, central bank monetary policies, inflation rates, general economic conditions, etc.). In addition, changes in interest rates can be sudden and unpredictable, and there is no guarantee that Fund management will anticipate such movement accurately. The Fund may lose money as a result of movements in interest rates.

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, are ascending from historically low levels. Thus, bond funds currently face a heightened level of risk associated with rising interest rates and/or bond yields. This could be driven by a variety of factors, including but not limited to central bank monetary policies, changing inflation or real growth rates, general economic conditions, increasing bond issuances or reduced market demand for low yielding investments. Further, while bond markets have steadily grown over the past three decades, dealer inventories of corporate bonds are near historic lows in relation to market size. As a result, there has been a significant reduction in the ability of dealers to "make markets."

Bond funds and individual bonds with a longer duration (a measure used to determine the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets or negatively impact the Fund's performance or cause the Fund to incur losses. As a result, the Fund may experience increased shareholder redemptions, which, among other things, could further reduce the net assets of the Fund.

The Fund may be subject to various risks as described in the Fund's prospectus and in the Principal and Other Risks in the Notes to Financial Statements.

Classifications of Fund portfolio holdings in this report are made according to financial reporting standards. The classification of a particular portfolio holding as shown in the Schedule of Investments and other sections of this report may differ from the classification used for the Fund's compliance calculations, including those used in the Fund's prospectus, investment objectives, regulatory, and other investment limitations and policies, which may be based on different asset class, sector or geographical classifications. All Funds are separately monitored for compliance with respect to prospectus and regulatory requirements.

The geographical classification of foreign (non-U.S.) securities in this report, if any, are classified by the country of incorporation of a holding. In certain instances, a security's country of incorporation may be different from its country of economic exposure.

Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19.

The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which may negatively impact the Fund's performance. In addition, COVID-19 and governmental responses to COVID-19 may negatively impact the capabilities of the Fund's service providers and disrupt the Fund's operations.

The United States' enforcement of restrictions on U.S. investments in certain issuers and tariffs on goods from other countries, each with a focus on China, has contributed to international trade tensions and may impact portfolio securities.

The United Kingdom's withdrawal from the European Union may impact Fund returns. The withdrawal may cause substantial volatility in foreign exchange markets, lead to weakness in the exchange rate of the British pound, result in a sustained period of market uncertainty, and destabilize some or all of the other European Union member countries and/or the Eurozone.

The Fund may invest in certain instruments that rely in some fashion upon the London Interbank Offered Rate ("LIBOR"). LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced plans to ultimately phase out the use of LIBOR. There remains uncertainty regarding future utilization of LIBOR and the nature of any replacement rate (e.g., the Secured Overnight Financing Rate, which is intended to replace U.S. dollar LIBOR and measures the cost of overnight borrowings through repurchase agreement transactions collateralized with U.S. Treasury securities). Any potential effects of the transition away from LIBOR on the Fund or on certain instruments in which the Fund invests can be difficult to ascertain, and they may vary depending on a variety of factors. The transition may also result in a reduction in the value of certain instruments held by the Fund or a reduction in the effectiveness of related Fund transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses to the Fund.

On the Fund Summary page in this Shareholder Report, the Average Annual Total Return table and Cumulative Returns chart measure performance assuming that any dividend and capital gain distributions were reinvested. The Cumulative Returns chart and Average Annual Total Return table reflect any sales load that would have applied at the time of purchase or any Contingent Deferred Sales Charge ("CDSC") that would have applied if a full redemption occurred on the last business day of the period shown in the Cumulative Returns chart. Class A shares are subject to an initial sales charge. A CDSC may be imposed in certain circumstances on Class A shares that are purchased without an initial sales charge and then redeemed during the first 12 months after purchase. Class C shares are subject to a 1% CDSC, which may apply in the first year. The Cumulative Returns chart reflects only Institutional Class performance. Performance for I-2, I-3, Administrative Class, Class A, Class C and Class R shares, if applicable, is typically lower than Institutional Class performance due to the lower expenses paid by Institutional Class shares. Performance shown is net of fees and expenses. The minimum initial investment amount for Institutional Class, I-2, 1-3 and Administrative Class shares is $1,000,000. The minimum initial investment amount for Class A and Class C shares is $1,000. There is no minimum initial investment for Class R shares. The Fund measures its performance against at least one broad-based securities market index ("benchmark index") and a Lipper Average, which is calculated by Lipper, Inc. ("Lipper"), a Thomson Reuters company, and represents the total return performance average of funds that are tracked by Lipper that have the same fund classification. Benchmark indexes do not take into account fees, expenses or taxes. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. There is no assurance that the Fund, even if the Fund has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) the Fund’s total return in excess of that of the Fund’s benchmark between reporting periods or 2) the Fund’s total return in excess of the Fund’s historical returns between reporting periods. Unusual performance is defined as a significant change in the Fund’s performance as compared to one or more previous reporting periods. Historical performance for the Fund or a share class thereof may have been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.

The following table discloses the inception dates of the Fund and its respective share classes along with the Fund’s diversification status as of period end:

Fund Name	Fund Inception	Institutional Class	I-2	I-3	Administrative Class	Class A	Class C	Class R	Diversification Status
PIMCO Real Return Fund	01/29/97	01/29/97	04/30/08	04/27/18	04/28/00	01/29/97	01/29/97	12/31/02	Diversified

An investment in the Fund is not a bank deposit and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Fund.

The Trustees are responsible generally for overseeing the management of the Trust. The Trustees authorize the Trust to enter into service agreements with the Adviser, the Distributor, the Administrator and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Trust and the Fund. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither this Fund’s prospectus nor summary prospectus, the Trust’s Statement of Additional Information (“SAI”), any contracts filed as exhibits to the Trust’s registration statement, nor any other communications, disclosure documents or regulatory filings (including this report) from or on behalf of the Trust or the Fund creates a contract between or among any shareholder of the Fund, on the one hand, and the Trust, the Fund, a service provider to the Trust or the Fund, and/or the Trustees or officers of the Trust, on the other hand. The Trustees (or the Trust and its officers, service providers or other delegates acting under authority of the Trustees) may amend the most recent prospectus or use a new prospectus, summary prospectus or SAI with respect to the Fund or the Trust, and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which the Trust or the Fund is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to the Fund, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in the Trust’s then-current prospectus or SAI.

PIMCO has adopted written proxy voting policies and procedures (“Proxy Policy”) as required by Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. The Proxy Policy has been adopted by the Trust as the policies and procedures that PIMCO will use when voting proxies on behalf of the Fund. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of the Fund, and information about how the Fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30th, are available without charge, upon request, by calling the Trust at (888) 87-PIMCO, on the Fund's website at www.pimco.com, and on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

The Fund files portfolio holdings information with the SEC on Form N-PORT within 60 days of the end of each fiscal quarter. The Fund's complete schedule of securities holdings as of the end of each fiscal quarter will be made available to the public on the SEC's website at www.sec.gov and on PIMCO's website at www.pimco.com, and will be made available, upon request by calling PIMCO at (888) 87-PIMCO.

The SEC has adopted a rule that allows the Fund to fulfill its obligation to deliver shareholder reports to investors by providing access to such reports online free of charge and by mailing a notice that the report is electronically available. Pursuant to the rule, investors may elect to receive all future reports in paper free of charge by contacting their financial intermediary or, if invested directly with the Fund, investors can inform the Fund by calling (888) 87-PIMCO. Any election to receive reports in paper will apply to all funds held with the fund complex if invested directly with the Fund or to all funds held in the investor's account if invested through a financial intermediary.

In October 2020, the SEC adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions that was applicable to the Fund as of the date of this report. Subject to certain exceptions, and after an eighteen-month transition period, the rule requires funds that trade derivatives and other transactions that create future payment or delivery obligations to comply with a value-at-risk leverage limit and certain derivatives risk management program and reporting requirements. The compliance date for the new rule and related reporting requirements was August 19, 2022.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Investment Company Act of 1940 (the "Act"), and the SEC noted that this definition will apply in all contexts under the Act. The effective date for the rule was March 8, 2021. The compliance date for the new rule and the related reporting requirements was September 8, 2022.

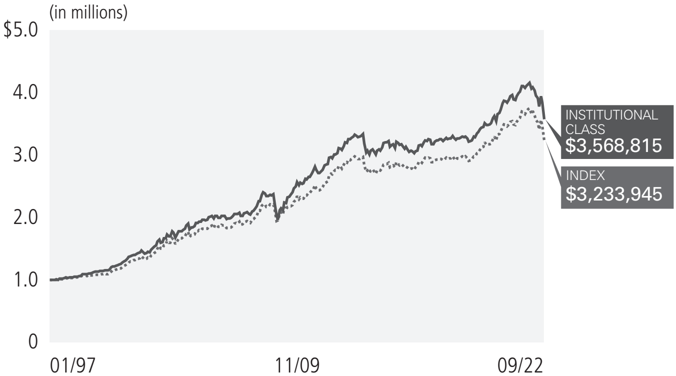
In May 2022, the SEC proposed amendments to a current rule governing fund naming conventions. In general, the current rule requires funds with certain types of names to adopt a policy to invest at least 80% of their assets in the type of investment suggested by the name. The proposed amendments would expand the scope of the current rule in a number of ways that would result in an expansion of the types of fund names that would require the fund to adopt an 80% investment policy under the rule. Additionally, the proposed amendments would modify the circumstances under which a fund may deviate from its 80% investment policy and address the use and valuation of derivatives instruments for purposes of the rule. The proposal’s impact on the Fund will not be known unless and until any final rulemaking is adopted.

In May 2022, the SEC proposed a framework that would require certain registered funds (such as the Fund) to disclose their environmental, social, and governance (“ESG”) investing practices. Among other things, the proposed requirements would mandate that funds meeting three pre-defined classifications (i.e., integrated, ESG focused and/or impact funds) provide prospectus and shareholder report disclosure related to the ESG factors, criteria and processes used in managing the fund. The proposal’s impact on the Fund will not be known unless and until any final rulemaking is adopted.

In October 2022, the SEC adopted changes to the mutual fund and ETF shareholder report and registration statement disclosure requirements and the registered fund advertising rules, which will change the disclosures provided to shareholders.

In November 2022, the SEC proposed rule amendments which, among other things, would require funds to adopt swing pricing in order to mitigate dilution of shareholders’ interests in a fund by requiring the adjustment of fund net asset value per share to pass on costs stemming from shareholder purchase or redemption activity. In addition the proposed rule would amend the liquidity rule framework. The proposal’s impact on the Fund will not be known unless and until any final rulemaking is adopted.

Cumulative Returns Through September 30, 2022



$1,000,000 invested at the end of the month when the Fund's Institutional Class commenced operations.

Average Annual Total Return for the period ended September 30, 2022

		6 Months*	1 Year	5 Years	10 Years	Fund Inception (01/29/97)
—	PIMCO Real Return Fund Institutional Class	(11.49)%	(12.34)%	1.85%	0.87%	5.10%
	PIMCO Real Return Fund I-2	(11.54)%	(12.43)%	1.74%	0.77%	5.01%
	PIMCO Real Return Fund I-3	(11.56)%	(12.47)%	1.69%	0.72%	4.96%
	PIMCO Real Return Fund Administrative Class	(11.60)%	(12.56)%	1.59%	0.62%	4.84%
	PIMCO Real Return Fund Class A	(11.67)%	(12.69)%	1.44%	0.47%	4.66%
	PIMCO Real Return Fund Class A (adjusted)	(14.98)%	(15.96)%	0.67%	0.08%	4.54%
	PIMCO Real Return Fund Class C	(11.90)%	(13.13)%	0.93%	(0.03)%	4.14%
	PIMCO Real Return Fund Class C (adjusted)	(12.74)%	(13.94)%	0.93%	(0.03)%	4.14%
	PIMCO Real Return Fund Class R	(11.78)%	(12.91)%	1.19%	0.22%	4.39%
·····	Bloomberg U.S. TIPS Index	(10.92)%	(11.57)%	1.95%	0.98%	4.69%
	Lipper Inflation-Protected Bond Funds Average	(9.52)%	(9.83)%	1.65%	0.57%	3.91%◆

All Fund returns are net of fees and expenses and include applicable fee waivers and/or expense limitations. Absent any applicable fee waivers and/or expense limitations, performance would have been lower and there can be no assurance that any such waivers or limitations will continue in the future.

* Cumulative return.

◆ Average annual total return since 01/31/1997.

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. 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. The adjusted returns take into account the maximum sales charge of 3.75% on Class A shares and 1.00% CDSC on Class C shares. For performance current to the most recent month-end, visit www.pimco.com or via (888) 87-PIMCO.

For periods prior to the inception date of a share class launched subsequent to the Fund's inception date, the performance information shown is adjusted for the performance of the Fund's Institutional Class shares. The prior Institutional Class performance has been adjusted to reflect the distribution and/or service fees and other expenses paid by each respective share class.

The Fund's total annual operating expense ratio in effect as of period end, were 0.47% for Institutional Class shares, 0.57% for I-2 shares, 0.67% for I-3 shares, 0.72% for Administrative Class shares, 0.87% for Class A shares, 1.37% for Class C shares, and 1.12% for Class R shares. Details regarding any changes to the Fund's operating expenses, subsequent to period end, can be found in the Fund's current prospectus, as supplemented.

Allocation Breakdown as of September 30, 2022†§

U.S. Treasury Obligations	74.6%
Asset-Backed Securities	8.7%
Sovereign Issues	7.3%
Corporate Bonds & Notes	3.7%
U.S. Government Agencies	3.6%
Non-Agency Mortgage-Backed Securities	1.6%
Preferred Securities	0.5%
Short-Term Instruments‡	0.0%

† % of Investments, at value.
§ Allocation Breakdown and % of investments exclude securities sold short and financial derivative instruments, if any.
‡ Includes Central Funds Used for Cash Management Purposes.

Investment Objective and Strategy Overview

PIMCO Real Return Fund seeks maximum real return, consistent with preservation of capital and prudent investment management, by investing under normal circumstances at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. Assets not invested in inflation-indexed bonds may be invested in other types of Fixed Income Instruments. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Fund may invest, without limitation, in derivative instruments, such as options, futures contracts or swap agreements, or in mortgage- or asset-backed securities, subject to applicable law and any other restrictions described in the Fund's prospectus or Statement of Additional Information. Fund strategies may change from time to time. Please refer to the Fund's current prospectus for more information regarding the Fund's strategy.

Fund Insights

The following affected performance (on a gross basis) during the reporting period:

» Exposure to U.S. Treasury Inflation-Protected Securities ("TIPS") detracted from absolute returns, as TIPS posted negative returns.

» Underweight exposure to U.K. breakeven inflation ("BEI"), the yield differential between nominal government bonds and like-maturity inflation-linked bonds, contributed to relative performance, as U.K. BEI moved lower.

» Curve positioning in Eurozone BEI, specifically overweight exposure to front-end maturities relative to underweight exposure to longer-term maturities, contributed to performance, as front-end maturities rose relative to longer-term maturities.

» Underweight exposure to German interest rates contributed to relative performance, as German interest rates rose.

» Overweight exposure to Danish interest rates detracted from relative performance, as Danish interest rates rose.

» Exposure to Danish covered bonds detracted from relative performance, as spreads widened.

» Exposure to U.S. Agency mortgage-backed securities detracted from relative performance, as spreads widened.

» There were no other material contributors or detractors for this Fund.

Example

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and exchange fees and (2) ongoing costs, including investment advisory fees, supervisory and administrative fees, distribution and/or service (12b-1) fees (if applicable), and other Fund expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period indicated, which for all Funds and share classes is from April 1, 2022 to September 30, 2022 unless noted otherwise in the table and footnotes below.

Actual Expenses

The information in the table under the heading “Actual” provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.60), then multiply the result by the number in the appropriate row for your share class, in the column titled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading “Hypothetical (5% return before expenses)” provides information about hypothetical account values and hypothetical expenses based on a Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in a Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any Acquired Fund Fees and Expenses or transactional costs, such as sales charges (loads) on purchase payments and exchange fees, if any. Therefore, the information under the heading “Hypothetical (5% return before expenses)” is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the investment advisory fees and supervisory and administrative fees, such as fees and expenses of the independent trustees and their counsel, extraordinary expenses and interest expense.

	Actual			**Hypothetical (5% return before expenses)**			
	Beginning Account Value (04/01/22)	Ending Account Value (09/30/22)	Expenses Paid During Period*	Beginning Account Value (04/01/22)	Ending Account Value (09/30/22)	Expenses Paid During Period*	Net Annualized Expense Ratio**
Institutional Class	$ 1,000.00	$ 885.10	$ 3.11	$ 1,000.00	$ 1,022.05	$ 3.33	0.65%
I-2	1,000.00	884.60	3.58	1,000.00	1,021.54	3.84	0.75
I-3	1,000.00	884.40	3.82	1,000.00	1,021.29	4.10	0.80
Administrative Class	1,000.00	884.00	4.30	1,000.00	1,020.78	4.61	0.90
Class A	1,000.00	883.30	5.01	1,000.00	1,020.02	5.38	1.05
Class C	1,000.00	881.00	7.39	1,000.00	1,017.49	7.92	1.55
Class R	1,000.00	882.20	6.20	1,000.00	1,018.75	6.65	1.30

** Expenses Paid During Period are equal to the net annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 185/365 (to reflect the one-half year period).*
*** Net Annualized Expense Ratio is reflective of any applicable contractual fee waivers and/or expense reimbursements or voluntary fee waivers. Details regarding fee waivers, if any, can be found in Note 9, Fees and Expenses, in the Notes to Financial Statements.*

Benchmark Description

Index*	Benchmark Description
Bloomberg U.S. TIPS Index	Bloomberg U.S. TIPS Index is an unmanaged market index comprised of all U.S. Treasury Inflation-Protected Securities rated investment grade (Baa3 or better), have at least one year to final maturity, and at least $500 million par amount outstanding.

* It is not possible to invest directly in an unmanaged index.

Selected Per Share Data for the Year or Period Ended^:	Net Asset Value Beginning of Year or Period[(a)]	Investment Operations: Net Investment Income (Loss)[(b)]	Investment Operations: Net Realized/ Unrealized Gain (Loss)	Investment Operations: Total	Less Distributions[(c)]: From Net Investment Income	Less Distributions[(c)]: Total
Institutional Class						
04/01/2022 - 09/30/2022+	$ 11.78	$ 0.55	$ (1.86)	$ (1.31)	$ (0.56)	$ (0.56)
03/31/2022	12.06	0.75	(0.28)	0.47	(0.75)	(0.75)
03/31/2021	11.29	0.17	0.93	1.10	(0.33)	(0.33)
03/31/2020	10.91	0.29	0.32	0.61	(0.23)	(0.23)
03/31/2019	10.90	0.23	0.04	0.27	(0.26)	(0.26)
03/31/2018	11.06	0.28	(0.17)	0.11	(0.27)	(0.27)
I-2						
04/01/2022 - 09/30/2022+	11.78	0.55	(1.86)	(1.31)	(0.56)	(0.56)
03/31/2022	12.06	0.74	(0.28)	0.46	(0.74)	(0.74)
03/31/2021	11.29	0.16	0.93	1.09	(0.32)	(0.32)
03/31/2020	10.91	0.28	0.32	0.60	(0.22)	(0.22)
03/31/2019	10.90	0.24	0.02	0.26	(0.25)	(0.25)
03/31/2018	11.06	0.27	(0.17)	0.10	(0.26)	(0.26)
I-3						
04/01/2022 - 09/30/2022+	11.78	0.54	(1.86)	(1.32)	(0.55)	(0.55)
03/31/2022	12.06	0.72	(0.27)	0.45	(0.73)	(0.73)
03/31/2021	11.29	0.18	0.90	1.08	(0.31)	(0.31)
03/31/2020	10.91	0.42	0.17	0.59	(0.21)	(0.21)
04/27/2018 - 03/31/2019	10.84	0.00	0.27	0.27	(0.20)	(0.20)
Administrative Class						
04/01/2022 - 09/30/2022+	11.78	0.54	(1.86)	(1.32)	(0.55)	(0.55)
03/31/2022	12.06	0.77	(0.33)	0.44	(0.72)	(0.72)
03/31/2021	11.29	0.15	0.92	1.07	(0.30)	(0.30)
03/31/2020	10.91	0.26	0.32	0.58	(0.20)	(0.20)
03/31/2019	10.90	0.22	0.02	0.24	(0.23)	(0.23)
03/31/2018	11.06	0.26	(0.18)	0.08	(0.24)	(0.24)
Class A						
04/01/2022 - 09/30/2022+	11.78	0.53	(1.86)	(1.33)	(0.54)	(0.54)
03/31/2022	12.06	0.70	(0.28)	0.42	(0.70)	(0.70)
03/31/2021	11.29	0.12	0.93	1.05	(0.28)	(0.28)
03/31/2020	10.91	0.24	0.32	0.56	(0.18)	(0.18)
03/31/2019	10.90	0.19	0.04	0.23	(0.22)	(0.22)
03/31/2018	11.06	0.24	(0.18)	0.06	(0.22)	(0.22)

 See Accompanying Notes

			Ratios/Supplemental Data					
			Ratios to Average Net Assets					
Net Asset Value End of Year or Period[(a)]	Total Return[(d)]	Net Assets End of Year or Period (000s)	Expenses	Expenses Excluding Waivers	Expenses Excluding Interest Expense	Expenses Excluding Interest Expense and Waivers	Net Investment Income (Loss)	Portfolio Turnover Rate
$ 9.91	(11.49)%	$ 6,564,651	0.65%*	0.65%*	0.45%*	0.45%*	9.92%*	36%
11.78	3.86	7,725,995	0.47	0.47	0.45	0.45	6.18	104
12.06	9.75	7,164,153	0.47	0.47	0.45	0.45	1.42	225
11.29	5.61	5,522,909	0.53	0.53	0.45	0.45	2.57	314
10.91	2.54	5,517,445	0.98	0.98	0.45	0.45	2.12	254
10.90	0.97	5,897,511	0.88	0.88	0.45	0.45	2.57	165
9.91	(11.54)	1,274,095	0.75*	0.75*	0.55*	0.55*	9.91*	36
11.78	3.75	1,693,296	0.57	0.57	0.55	0.55	6.03	104
12.06	9.64	1,202,563	0.57	0.57	0.55	0.55	1.34	225
11.29	5.51	935,442	0.63	0.63	0.55	0.55	2.52	314
10.91	2.44	974,012	1.08	1.08	0.55	0.55	2.26	254
10.90	0.87	1,526,955	0.98	0.98	0.55	0.55	2.47	94
9.91	(11.56)	41,363	0.80*	0.85*	0.60*	0.65*	9.74*	36
11.78	3.70	47,216	0.62	0.67	0.60	0.65	5.90	104
12.06	9.58	27,902	0.62	0.67	0.60	0.65	1.47	225
11.29	5.46	10,697	0.68	0.73	0.60	0.65	3.82	314
10.91	2.52	547,619	1.13*	1.18*	0.60*	0.65*	(0.02)*	254
9.91	(11.60)	319,785	0.90*	0.90*	0.70*	0.70*	9.69*	36
11.78	3.60	382,874	0.72	0.72	0.70	0.70	6.29	104
12.06	9.47	836,823	0.72	0.72	0.70	0.70	1.24	225
11.29	5.35	294,894	0.78	0.78	0.70	0.70	2.37	314
10.91	2.28	326,112	1.23	1.23	0.70	0.70	2.02	254
10.90	0.72	467,089	1.13	1.13	0.70	0.70	2.34	94
9.91	(11.67)	1,507,735	1.05*	1.05*	0.85*	0.85*	9.56*	36
11.78	3.44	1,825,061	0.87	0.87	0.85	0.85	5.76	104
12.06	9.31	1,794,767	0.87	0.87	0.85	0.85	0.97	225
11.29	5.19	1,840,709	0.93	0.93	0.85	0.85	2.19	314
10.91	2.13	1,925,170	1.38	1.38	0.85	0.85	1.78	254
10.90	0.57	2,270,060	1.28	1.28	0.85	0.85	2.20	94

Selected Per Share Data for the Year or Period Ended^:	Net Asset Value Beginning of Year or Period[(a)]	Investment Operations: Net Investment Income (Loss)[(b)]	Investment Operations: Net Realized/ Unrealized Gain (Loss)	Investment Operations: Total	Less Distributions[(c)]: From Net Investment Income	Less Distributions[(c)]: Total
Class C						
04/01/2022 - 09/30/2022+	$ 11.78	$ 0.50	$ (1.86)	$ (1.36)	$ (0.51)	$ (0.51)
03/31/2022	12.06	0.64	(0.28)	0.36	(0.64)	(0.64)
03/31/2021	11.29	0.03	0.96	0.99	(0.22)	(0.22)
03/31/2020	10.91	0.22	0.29	0.51	(0.13)	(0.13)
03/31/2019	10.90	0.15	0.02	0.17	(0.16)	(0.16)
03/31/2018	11.06	0.19	(0.18)	0.01	(0.17)	(0.17)
Class R						
04/01/2022 - 09/30/2022+	11.78	0.51	(1.85)	(1.34)	(0.53)	(0.53)
03/31/2022	12.06	0.67	(0.28)	0.39	(0.67)	(0.67)
03/31/2021	11.29	0.09	0.93	1.02	(0.25)	(0.25)
03/31/2020	10.91	0.22	0.32	0.54	(0.16)	(0.16)
03/31/2019	10.90	0.16	0.04	0.20	(0.19)	(0.19)
03/31/2018	11.06	0.21	(0.17)	0.04	(0.20)	(0.20)

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.
+ Unaudited
* Annualized, except for organizational expense, if any.
(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Fund.
(b) Per share amounts based on average number of shares outstanding during the year or period.
(c) The tax characterization of distributions is determined in accordance with Federal income tax regulations. The actual tax characterization of distributions paid is determined at the end of the fiscal year. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.
(d) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Fund. Additionally, excludes initial sales charges and contingent deferred sales charges.

Net Asset Value End of Year or Period[(a)]	Total Return[(d)]	Net Assets End of Year or Period (000s)	Expenses	Expenses Excluding Waivers	Expenses Excluding Interest Expense	Expenses Excluding Interest Expense and Waivers	Net Investment Income (Loss)	Portfolio Turnover Rate
		Ratios/Supplemental Data						
			Ratios to Average Net Assets					
$ 9.91	(11.90)%	$ 102,956	1.55%*	1.55%*	1.35%*	1.35%*	9.05%*	36%
11.78	2.93	123,275	1.37	1.37	1.35	1.35	5.22	104
12.06	8.75	74,017	1.37	1.37	1.35	1.35	0.21	225
11.29	4.67	137,907	1.43	1.43	1.35	1.35	1.95	314
10.91	1.62	247,192	1.88	1.88	1.35	1.35	1.36	254
10.90	0.07	365,067	1.78	1.78	1.35	1.35	1.70	94
9.91	(11.78)	213,663	1.30*	1.30*	1.10*	1.10*	9.27*	36
11.78	3.19	247,703	1.12	1.12	1.10	1.10	5.51	104
12.06	9.04	241,998	1.12	1.12	1.10	1.10	0.73	225
11.29	4.93	226,195	1.18	1.18	1.10	1.10	1.96	314
10.91	1.88	241,378	1.63	1.63	1.10	1.10	1.52	254
10.90	0.32	281,230	1.53	1.53	1.10	1.10	1.93	94

Statement of Assets and Liabilities PIMCO Real Return Fund

(Amounts in thousands†, except per share amounts)

Assets:	
Investments, at value	
Investments in securities	$ 11,479,572
Investments in Affiliates	923
Financial Derivative Instruments	
Exchange-traded or centrally cleared	20,031
Over the counter	130,726
Cash	274
Deposits with counterparty	37,520
Foreign currency, at value	13,876
Receivable for investments sold	742,470
Receivable for investments sold on a delayed-delivery basis	2,054
Receivable for TBA investments sold	276,930
Receivable for Fund shares sold	25,535
Interest and/or dividends receivable	35,379
Dividends receivable from Affiliates	56
Reimbursement receivable from PIMCO	2
Total Assets	12,765,348
Liabilities:	
Borrowings & Other Financing Transactions	
Payable for reverse repurchase agreements	$ 1,698,795
Payable for sale-buyback transactions	984
Financial Derivative Instruments	
Exchange-traded or centrally cleared	24,281
Over the counter	235,183
Payable for investments purchased	53,210
Payable for investments in Affiliates purchased	56
Payable for TBA investments purchased	658,849
Deposits from counterparty	35,654
Payable for Fund shares redeemed	28,147
Distributions payable	855
Accrued investment advisory fees	2,287
Accrued supervisory and administrative fees	2,208
Accrued distribution fees	171
Accrued servicing fees	420
Total Liabilities	2,741,100
Net Assets	$ 10,024,248
Net Assets Consist of:	
Paid in capital	$ 11,704,313
Distributable earnings (accumulated loss)	(1,680,065)
Net Assets	$ 10,024,248
Cost of investments in securities	$ 13,114,057
Cost of investments in Affiliates	$ 923
Cost of foreign currency held	$ 17,218
Cost or premiums of financial derivative instruments, net	$ 6,067

† A zero balance may reflect actual amounts rounding to less than one thousand.

Net Assets:	
Institutional Class	$ 6,564,651
I-2	1,274,095
I-3	41,363
Administrative Class	319,785
Class A	1,507,735
Class C	102,956
Class R	213,663
Shares Issued and Outstanding:	
Institutional Class	662,319
I-2	128,546
I-3	4,173
Administrative Class	32,263
Class A	152,118
Class C	10,387
Class R	21,557
Net Asset Value Per Share Outstanding[(a)]:	
Institutional Class	$ 9.91
I-2	9.91
I-3	9.91
Administrative Class	9.91
Class A	9.91
Class C	9.91
Class R	9.91

(a) Includes adjustments required by U.S. GAAP and may differ from net asset values and performance reported elsewhere by the Fund.

Statement of Operations PIMCO Real Return Fund

Six Months Ended September 30, 2022 (Unaudited)

(Amounts in thousands†)

Investment Income:	
Interest, net of foreign taxes*	$ 586,959
Dividends	1,749
Dividends from Investments in Affiliates	200
Total Income	588,908
Expenses:	
Investment advisory fees	13,912
Supervisory and administrative fees	13,470
Distribution and/or servicing fees - Administrative Class	448
Distribution and/or servicing fees - Class A	2,128
Distribution and/or servicing fees - Class C	438
Distribution and/or servicing fees - Class R	587
Trustee fees	24
Interest expense	10,895
Miscellaneous expense	3
Total Expenses	41,905
Waiver and/or Reimbursement by PIMCO	(12)
Net Expenses	41,893
Net Investment Income (Loss)	547,015
Net Realized Gain (Loss):	
Investments in securities	(190,007)
Investments in Affiliates	(117)
Exchange-traded or centrally cleared financial derivative instruments	256,911
Over the counter financial derivative instruments	203,251
Short sales	(24)
Foreign currency	(21,449)
Net Realized Gain (Loss)	248,565
Net Change in Unrealized Appreciation (Depreciation):	
Investments in securities	(1,995,070)
Exchange-traded or centrally cleared financial derivative instruments	(6,398)
Over the counter financial derivative instruments	(126,713)
Foreign currency assets and liabilities	6,327
Net Change in Unrealized Appreciation (Depreciation)	(2,121,854)
Net Increase (Decrease) in Net Assets Resulting from Operations	$ (1,326,274)
* Foreign tax withholdings	$ 4

† A zero balance may reflect actual amounts rounding to less than one thousand.

Statements of Changes in Net Assets PIMCO Real Return Fund

(Amounts in thousands†)	Six Months Ended September 30, 2022 (Unaudited)	Year Ended March 31, 2022
Increase (Decrease) in Net Assets from:		
Operations:		
Net investment income (loss)	$ 547,015	$ 736,805
Net realized gain (loss)	248,565	197,340
Net change in unrealized appreciation (depreciation)	(2,121,854)	(506,946)
Net Increase (Decrease) in Net Assets Resulting from Operations	(1,326,274)	427,199
Distributions to Shareholders:		
From net investment income and/or net realized capital gains		
Institutional Class	(360,894)	(474,607)
I-2	(75,841)	(90,188)
I-3	(2,278)	(2,453)
Administrative Class	(17,666)	(43,765)
Class A	(82,681)	(106,029)
Class C	(5,378)	(5,140)
Class R	(11,060)	(13,680)
Total Distributions[(a)]	(555,798)	(735,862)
Fund Share Transactions:		
Net increase (decrease) resulting from Fund share transactions*	(139,100)	1,011,860
Total Increase (Decrease) in Net Assets	(2,021,172)	703,197
Net Assets:		
Beginning of period	12,045,420	11,342,223
End of period	$ 10,024,248	$ 12,045,420

† A zero balance may reflect actual amounts rounding to less than one thousand.
* See Note 13, Shares of Beneficial Interest, in the Notes to Financial Statements.
(a) The tax characterization of distributions is determined in accordance with Federal income tax regulations. The actual tax characterization of distributions paid is determined at the end of the fiscal year. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

Statement of Cash Flows PIMCO Real Return Fund

Six Months Ended September 30, 2022 (Unaudited)

(Amounts in thousands†)

Cash Flows Provided by (Used for) Operating Activities:	
Net increase (decrease) in net assets resulting from operations	$ (1,326,274)
Adjustments to Reconcile Net Increase (Decrease) in Net Assets from Operations to Net Cash Provided by (Used for) Operating Activities:	
Purchases of long-term securities	(5,333,114)
Proceeds from sales of long-term securities	7,017,484
(Purchases) Proceeds from sales of short-term portfolio investments, net	237,859
(Increase) decrease in deposits with counterparty	(25,232)
(Increase) decrease in receivable for investments sold	1,385,826
(Increase) decrease in interest and/or dividends receivable	(2,372)
(Increase) decrease in dividends receivable from Affiliates	(42)
Proceeds from (Payments on) exchange-traded or centrally cleared financial derivative instruments	237,054
Proceeds from (Payments on) over the counter financial derivative instruments	199,242
Increase (decrease) in payable for investments purchased	(381,451)
Increase (decrease) in deposits from counterparty	(12,284)
Increase (decrease) in accrued investment advisory fees	(296)
Increase (decrease) in accrued supervisory and administrative fees	(295)
Increase (decrease) in accrued distribution fees	(17)
Increase (decrease) in accrued servicing fees	(53)
Proceeds from (Payments on) short sales transactions, net	(39,029)
Proceeds from (Payments on) foreign currency transactions	(22,312)
Net Realized (Gain) Loss	
Investments in securities	190,007
Investments in Affiliates	117
Exchange-traded or centrally cleared financial derivative instruments	(256,911)
Over the counter financial derivative instruments	(203,251)
Short sales	24
Foreign currency	21,449
Net Change in Unrealized (Appreciation) Depreciation	
Investments in securities	1,995,070
Exchange-traded or centrally cleared financial derivative instruments	6,398
Over the counter financial derivative instruments	126,713
Foreign currency assets and liabilities	(6,327)
Net amortization (accretion) on investments	62,182
Net Cash Provided by (Used for) Operating Activities	3,870,165
Cash Flows Received from (Used for) Financing Activities:	
Proceeds from shares sold	1,625,609
Payments on shares redeemed	(2,294,613)
Increase (decrease) in overdraft due to custodian	(159)
Cash distributions paid*	(51,231)
Proceeds from reverse repurchase agreements	153,043,841
Payments on reverse repurchase agreements	(156,263,671)
Proceeds from sale-buyback transactions	2,622,353
Payments on sale-buyback transactions	(2,640,043)
Net Cash Received from (Used for) Financing Activities	(3,957,914)
Net Increase (Decrease) in Cash and Foreign Currency	(87,749)
Cash and Foreign Currency:	
Beginning of period	$ 101,899
End of period	$ 14,150
* Reinvestment of distributions	$ 510,585
Supplemental Disclosure of Cash Flow Information:	
Interest expense paid during the period	$ 10,823

† A zero balance may reflect actual amounts rounding to less than one thousand.

A Statement of Cash Flows is presented when the Fund has a significant amount of borrowing during the period, based on the average total borrowing outstanding in relation to total assets or when substantially all of the Fund's investments are not classified as Level 1 or 2 in the fair value hierarchy.

Schedule of Investments PIMCO Real Return Fund

(Amounts in thousands*, except number of shares, contracts, units and ounces, if any)

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 114.5%			
CORPORATE BONDS & NOTES 4.2%			
BANKING & FINANCE 4.2%			
Aviation Capital Group LLC			
4.375% due 01/30/2024	$	100	$ 97
Avolon Holdings Funding Ltd.			
2.528% due 11/18/2027		143	112
Banco Bilbao Vizcaya Argentaria SA			
5.875% due 09/24/2023 •(e)(f)	EUR	1,400	1,258
Ford Motor Credit Co. LLC			
3.550% due 10/07/2022	$	9,800	9,808
ING Bank NV			
2.625% due 12/05/2022		14,800	14,762
Jyske Realkredit AS			
0.500% due 10/01/2043	DKK	44,380	4,263
1.000% due 10/01/2050		352,148	32,014
1.000% due 10/01/2053		143,975	11,992
1.500% due 10/01/2053		136,025	12,537
2.500% due 10/01/2047		8	1
Lloyds Banking Group PLC			
4.947% due 06/27/2025 •(e)(f)	EUR	700	609
NatWest Group PLC			
4.519% due 06/25/2024 •	$	6,900	6,820
5.191% (US0003M + 1.550%) due 06/25/2024 ~		10,700	10,680
Nissan Motor Acceptance Co. LLC			
3.875% due 09/21/2023		100	98
Nordea Kredit Realkreditaktieselskab			
0.500% due 10/01/2043	DKK	18,152	1,746
1.000% due 10/01/2050		263,543	23,968
1.000% due 10/01/2053		12,114	1,089
1.500% due 10/01/2053		238,052	21,825
2.000% due 10/01/2053		8,896	884
2.500% due 10/01/2047		4	0
Nykredit Realkredit AS			
0.500% due 10/01/2043		131,848	12,648
1.000% due 10/01/2050		1,148,013	104,219
1.000% due 10/01/2053		47,714	4,281
1.500% due 10/01/2053		718,833	66,506
2.500% due 10/01/2047		20	2
Realkredit Danmark AS			
1.000% due 10/01/2050		350,709	31,862
1.000% due 10/01/2053		45,791	4,012
1.500% due 10/01/2053		72,576	6,919
2.500% due 04/01/2047		9	1
UniCredit SpA			
7.830% due 12/04/2023	$	37,100	37,418
			422,431

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INDUSTRIALS 0.0%			
AbbVie, Inc.			
2.900% due 11/06/2022	$	200	$ 200
Discovery Communications LLC			
2.950% due 03/20/2023		105	104
Penske Truck Leasing Co. LP			
4.250% due 01/17/2023		100	100
Sydney Airport Finance Co. Pty. Ltd.			
3.900% due 03/22/2023		200	198
U.S. Airways Pass-Through Trust			
7.125% due 04/22/2025		1,250	1,242
VMware, Inc.			
3.900% due 08/21/2027		1,900	1,753
			3,597
UTILITIES 0.0%			
Eversource Energy			
2.900% due 10/01/2024		300	288
Total Corporate Bonds & Notes (Cost $656,663)			**426,316**
U.S. GOVERNMENT AGENCIES 4.1%			
Fannie Mae			
1.840% due 11/01/2033 •		14	14
1.893% due 10/01/2033 •		2	2
1.934% due 02/01/2034 •		11	10
2.058% due 06/01/2043 •		12	12
2.059% due 09/01/2044 - 10/01/2044 •		338	343
2.096% due 04/01/2033 •		71	72
2.425% due 07/25/2037 ~		134	132
2.492% due 04/01/2027 •		6	6
2.493% due 03/25/2036 •		46	46
2.504% due 12/25/2036 •		39	38
2.525% due 02/01/2032 •		4	4
2.788% due 05/25/2035 ~		6	6
3.140% due 04/01/2032 •		10	10
3.434% due 07/25/2037 - 05/25/2042 •		90	89
3.524% due 05/25/2036 •		20	20
3.529% due 02/25/2037 •		108	106
3.610% due 04/01/2035 •		20	20
3.850% due 05/01/2035 •		5	5
3.963% due 12/01/2036 •		8	9
4.989% due 09/01/2034 •		5	5
6.500% due 06/25/2028		11	11
Freddie Mac			
2.059% due 02/25/2045 ~		319	330
2.302% due 01/01/2034 •		42	42
2.338% due 01/01/2034 •		139	137
2.504% due 07/25/2044 •		62	65
2.850% due 06/01/2033 •		68	67

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.029% due 10/01/2036 •	$ 18	$ 18
3.088% due 01/15/2037 •	2	2
3.344% due 08/25/2031 ~	82	81
3.364% due 09/25/2031 ~	188	187
3.491% due 09/01/2036 •	14	14
3.567% due 07/01/2036 •	40	41
6.500% due 01/25/2028	4	4
7.000% due 10/15/2030	10	11
Ginnie Mae		
1.625% due 07/20/2035 •	6	6
1.750% due 12/20/2035 •	166	163
3.313% due 01/20/2060 ~	7,360	7,345
3.858% due 08/20/2068 •	10,001	9,720
Uniform Mortgage-Backed Security		
4.000% due 08/01/2038 - 04/01/2050	35,682	33,646
Uniform Mortgage-Backed Security, TBA		
2.500% due 11/01/2051	5,500	4,605
3.000% due 11/01/2052	111,500	97,057
4.000% due 10/01/2052 - 11/01/2052	258,330	239,640
4.500% due 10/01/2052	18,100	17,247
Total U.S. Government Agencies (Cost $428,466)		**411,388**

U.S. TREASURY OBLIGATIONS 85.4%		
U.S. Treasury Inflation Protected Securities (d)		
0.125% due 01/15/2023	99,838	98,843
0.125% due 07/15/2024	170,318	164,519
0.125% due 10/15/2024 (j)	73,732	70,917
0.125% due 04/15/2025 (j)	96,693	91,739
0.125% due 10/15/2025 (l)	90,776	85,777
0.125% due 04/15/2026	90,019	84,094
0.125% due 07/15/2026	128,193	119,887
0.125% due 10/15/2026 (h)	187,570	174,792
0.125% due 04/15/2027	115,215	106,277
0.125% due 01/15/2030	323,352	286,069
0.125% due 07/15/2030	326,073	287,302
0.125% due 01/15/2031	286,372	250,374
0.125% due 07/15/2031	466,793	407,351
0.125% due 01/15/2032	166,785	144,316
0.125% due 02/15/2051	110,503	69,527
0.125% due 02/15/2052 (h)(l)	52,044	32,986
0.250% due 01/15/2025 (j)	102,196	97,818
0.250% due 07/15/2029	311,027	280,634
0.250% due 02/15/2050	83,260	54,702
0.375% due 07/15/2023	82,027	80,742
0.375% due 07/15/2025 (j)(l)	61,562	58,846
0.375% due 01/15/2027	239,345	223,667
0.375% due 07/15/2027	232,591	217,105
0.500% due 01/15/2028	441,134	409,609
0.625% due 04/15/2023 (h)(j)	538,352	530,305
0.625% due 01/15/2024 (j)	104,532	102,090
0.625% due 01/15/2026	156,932	149,839
0.625% due 07/15/2032 (h)	338,642	307,541
0.625% due 02/15/2043	$ 72,964	$ 56,194
0.750% due 07/15/2028 (l)	380,199	357,472
0.750% due 02/15/2042	215,090	173,231
0.750% due 02/15/2045	185,692	143,460
0.875% due 01/15/2029	214,245	201,588
0.875% due 02/15/2047	167,177	131,353
1.000% due 02/15/2046	218,063	177,125
1.000% due 02/15/2048 (l)	60,672	49,266
1.000% due 02/15/2049 (l)	41,574	33,922
1.375% due 02/15/2044	384,979	343,185
1.750% due 01/15/2028	307,956	305,089
2.000% due 01/15/2026	153,326	152,889
2.125% due 02/15/2040	117,173	122,145
2.125% due 02/15/2041	120,101	124,060
2.375% due 01/15/2025	237,142	238,089
2.375% due 01/15/2027 (l)	2,536	2,576
2.500% due 01/15/2029	165,422	171,270
3.375% due 04/15/2032 (l)	13,019	14,854
3.625% due 04/15/2028	445,976	484,917
3.875% due 04/15/2029	257,893	288,980
Total U.S. Treasury Obligations (Cost $9,706,582)		**8,559,333**

NON-AGENCY MORTGAGE-BACKED SECURITIES 1.9%		
Adjustable Rate Mortgage Trust		
3.315% due 08/25/2035 ~	66	64
3.345% due 10/25/2035 ^~	145	139
Alliance Bancorp Trust		
3.564% due 07/25/2037 ~	3,530	2,987
American Home Mortgage Assets Trust		
3.274% due 05/25/2046 ^•	254	210
3.294% due 10/25/2046 ~	4,509	2,520
Banc of America Funding Trust		
3.131% due 01/20/2047 ~	2,868	2,543
3.535% due 01/20/2047 ^~	92	86
5.753% due 10/25/2036 ^þ	98	85
6.337% due 01/25/2037 ^þ	94	83
6.388% due 04/25/2037 ^þ	71	63
Banc of America Mortgage Trust		
2.447% due 11/25/2035 ^~	281	255
3.941% due 07/25/2035 ^~	143	133
BCAP LLC Trust		
3.095% due 04/26/2036 ~	1,443	1,235
3.424% due 01/25/2037 ^~	811	709
Bear Stearns Adjustable Rate Mortgage Trust		
2.082% due 01/25/2034 ~	81	77
2.781% due 11/25/2030 ~	41	39
2.820% due 02/25/2034 ~	243	230
2.999% due 01/25/2034 ~	262	256
3.233% due 05/25/2047 ^~	438	402
3.439% due 07/25/2036 ^~	526	477
3.476% due 10/25/2035 ~	201	195
3.754% due 11/25/2034 ~	31	30
3.842% due 02/25/2036 ^~	83	77

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Bear Stearns ALT-A Trust			
2.999% due 05/25/2035 ~		$ 22	$ 21
3.339% due 08/25/2036 ^~		225	154
3.341% due 08/25/2036 ^~		370	285
3.479% due 11/25/2036 ~		561	353
3.494% due 09/25/2047 ^~		2,942	1,623
3.531% due 09/25/2035 ^~		41	26
BSST Mortgage Trust			
4.146% due 02/15/2037 •		3,200	3,095
Chase Mortgage Finance Trust			
2.885% due 12/25/2035 ^~		112	103
3.094% due 02/25/2037 ~		15	15
3.146% due 02/25/2037 ~		31	30
ChaseFlex Trust			
3.584% due 06/25/2035 ~		184	60
Chevy Chase Funding LLC Mortgage-Backed Certificates			
3.264% due 07/25/2036 •		185	168
CIM Trust			
4.084% due 02/25/2049 •		163	162
Citigroup Global Markets Mortgage Securities, Inc.			
6.500% due 09/25/2033		189	134
Citigroup Mortgage Loan Trust			
2.359% due 03/25/2034 ~		53	50
3.440% due 09/25/2035 ~		49	46
3.629% due 07/25/2046 ^~		398	365
3.878% due 09/25/2037 ^~		142	129
3.950% due 05/25/2035 •		46	43
Countrywide Alternative Loan Trust			
2.104% due 12/25/2035 ~		438	371
3.173% due 02/20/2047 ^•		46	36
3.188% due 12/20/2046 ^•		2,672	2,200
3.196% due 02/25/2037 ^~		1,301	1,192
3.203% due 07/20/2046 ^•		2,528	1,927
3.413% due 03/20/2046 •		111	86
3.633% due 11/20/2035 •		231	215
3.784% due 10/25/2035 ^•		76	53
5.000% due 07/25/2035		91	57
5.500% due 11/25/2035 ^		18	15
5.750% due 05/25/2036		975	435
6.000% due 01/25/2037 ^		3,154	1,890
6.000% due 02/25/2037 ^		62	30
6.000% due 04/25/2037		1,087	933
6.500% due 08/25/2032		23	23
Countrywide Home Loan Mortgage Pass-Through Trust			
2.778% due 11/25/2034 ~		5	5
2.879% due 02/25/2047 ^~		121	105
2.898% due 04/20/2036 ^~		18	15
3.133% due 04/25/2035 ^~		37	30
3.187% due 02/20/2036 ^~		28	23
3.227% due 03/25/2037 ^~		86	76
3.249% due 01/20/2035 ~		18	18
3.476% due 11/25/2037 ~		1,053	978
3.617% due 10/20/2035 ~		10,430	9,875
3.664% due 04/25/2035 •		$ 221	$ 194
3.724% due 03/25/2035 •		5	5
5.500% due 11/25/2035 ^		74	44
5.500% due 04/25/2038		121	115
6.000% due 04/25/2036		1,257	721
6.000% due 03/25/2037 ^		3,591	1,904
Credit Suisse First Boston Mortgage-Backed Pass-Through Certificates			
2.599% due 07/25/2033 ~		3	3
Credit Suisse Mortgage Capital Mortgage-Backed Trust			
5.579% due 04/25/2037 ^~		360	110
Credit Suisse Mortgage Capital Trust			
1.841% due 10/25/2066 ~		8,708	7,329
Deutsche ALT-A Securities, Inc. Mortgage Loan Trust			
2.918% due 10/25/2035 ~		12	12
First Horizon Alternative Mortgage Securities Trust			
3.112% due 06/25/2034 ~		203	194
3.729% due 09/25/2034 ~		46	42
6.000% due 02/25/2037 ^		675	303
6.250% due 08/25/2037 ^		149	68
First Horizon Mortgage Pass-Through Trust			
3.875% due 08/25/2035 ~		213	152
Ginnie Mae			
1.000% due 09/01/2072 «		13,200	13,216
Great Hall Mortgages PLC			
2.409% due 06/18/2038 •	GBP	165	182
2.996% due 03/18/2039 ~		219	241
GreenPoint Mortgage Funding Trust			
3.524% due 06/25/2045 ~	$	350	324
Grifonas Finance PLC			
1.264% due 08/28/2039 •	EUR	108	99
GS Mortgage Securities Corp.			
6.246% due 09/15/2027 •	$	1,900	1,907
GSR Mortgage Loan Trust			
3.058% due 11/25/2035 ~		88	87
3.193% due 04/25/2035 ~		29	27
3.193% due 11/25/2035 ~		16	15
3.652% due 07/25/2035 ~		73	70
3.710% due 11/25/2035 ^~		329	286
HarborView Mortgage Loan Trust			
3.137% due 04/19/2034 ~		53	49
3.183% due 09/19/2037 ~		145	128
3.303% due 01/19/2035 ~		171	162
3.433% due 05/19/2035 •		3	3
3.473% due 03/19/2036 ^•		397	356
3.493% due 01/19/2036 •		1,023	641
3.613% due 11/19/2035 ~		513	403
3.673% due 06/20/2035 •		150	137
HomeBanc Mortgage Trust			
2.793% due 04/25/2037 ^~		515	468
Homeward Opportunities Fund Trust			
1.657% due 05/25/2065 ~		79	78

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Impac CMB Trust		
3.984% due 10/25/2033 •	$ 6	$ 6
IndyMac INDA Mortgage Loan Trust		
2.859% due 11/25/2035 ^~	137	106
3.136% due 11/25/2035 ^~	3	2
3.402% due 08/25/2036 ~	293	245
IndyMac INDB Mortgage Loan Trust		
3.684% due 11/25/2035 ^•	126	77
IndyMac INDX Mortgage Loan Trust		
2.755% due 01/25/2036 ^~	53	49
2.975% due 12/25/2034 ~	38	37
3.047% due 10/25/2035 ~	95	78
3.075% due 06/25/2036 ~	157	138
3.190% due 08/25/2035 ~	111	92
3.190% due 08/25/2035 ^~	89	73
3.324% due 07/25/2036 •	562	518
3.384% due 06/25/2037 ^~	273	113
3.484% due 06/25/2046 ~	995	854
3.644% due 07/25/2035 •	231	173
3.682% due 10/25/2034 ~	248	239
JP Morgan Alternative Loan Trust		
3.544% due 03/25/2036 ~	1,669	1,577
3.544% due 12/25/2036 •	12,393	11,246
6.000% due 12/27/2036	113	62
JP Morgan Chase Commercial Mortgage Securities Trust		
4.268% due 12/15/2031 •	3,234	3,207
JP Morgan Mortgage Trust		
2.741% due 06/25/2036 ^~	16	12
2.781% due 04/25/2035 ~	2	2
2.826% due 06/25/2035 ~	3	3
3.082% due 07/25/2035 ~	63	63
3.184% due 11/25/2035 ^~	109	92
3.314% due 07/25/2035 ~	47	45
3.454% due 10/25/2035 ^~	62	51
3.608% due 08/25/2035 ~	85	82
4.198% due 07/25/2035 ~	18	17
4.237% due 08/25/2035 ~	121	115
Lehman XS Trust		
3.444% due 12/25/2036 ~	922	886
3.584% due 08/25/2037 •	2,266	2,077
5.384% due 12/25/2037 •	10,315	10,409
Luminent Mortgage Trust		
3.444% due 12/25/2036 ^•	238	218
MASTR Adjustable Rate Mortgages Trust		
2.113% due 12/25/2033 ~	186	170
2.190% due 12/25/2033 ~	9	9
3.294% due 04/25/2046 •	815	721
3.819% due 11/21/2034 ~	117	111
MASTR Alternative Loan Trust		
3.484% due 03/25/2036 ^•	918	83
Mellon Residential Funding Corp. Mortgage Pass-Through Certificates		
3.518% due 11/15/2031 •	34	33
3.558% due 09/15/2030 ~	19	19
Mellon Residential Funding Corp. Mortgage Pass-Through Trust		
3.017% due 10/20/2029 •	$ 26	$ 26
3.258% due 12/15/2030 •	53	50
3.298% due 06/15/2030 ~	27	26
3.678% due 08/15/2032 •	72	66
Merrill Lynch Mortgage Investors Trust		
2.724% due 02/25/2033 ~	334	314
2.726% due 02/25/2034 ~	474	457
2.753% due 06/25/2037 ~	130	123
2.766% due 02/25/2035 ~	135	128
2.784% due 12/25/2034 ~	163	156
2.909% due 05/25/2036 ~	38	34
3.149% due 12/25/2035 ~	47	36
3.584% due 11/25/2035 ~	172	162
3.844% due 09/25/2035 ^~	63	53
4.683% due 03/25/2030 ~	17	15
4.883% due 11/25/2029 •	6	5
Morgan Stanley Mortgage Loan Trust		
5.701% due 02/25/2047 þ	189	78
New Residential Mortgage Loan Trust		
2.750% due 07/25/2059 ~	20,532	19,321
4.500% due 05/25/2058 ~	2,821	2,727
New York Mortgage Trust		
2.968% due 05/25/2036 ^~	73	64
Nomura Asset Acceptance Corp. Alternative Loan Trust		
3.286% due 02/25/2036 ^~	59	50
5.820% due 03/25/2047 þ	203	187
6.138% due 03/25/2047 þ	189	173
Residential Accredit Loans, Inc. Trust		
1.778% due 10/25/2037 ~	3,166	2,842
2.464% due 09/25/2045 •	94	84
3.384% due 08/25/2035 •	42	33
3.444% due 06/25/2046 •	2,477	601
3.644% due 12/25/2045 •	655	495
Residential Asset Securitization Trust		
3.484% due 05/25/2035 •	4,318	2,992
3.484% due 01/25/2046 ^~	56	18
5.500% due 06/25/2033	54	51
6.500% due 06/25/2037	1,779	464
Residential Mortgage Securities PLC		
3.395% due 06/20/2070 •	GBP 10,420	11,699
Sequoia Mortgage Trust		
2.057% due 05/20/2034 •	$ 87	86
3.393% due 07/20/2036 ~	474	416
3.693% due 10/19/2026 ~	11	11
3.753% due 10/20/2027 •	12	12
3.793% due 10/20/2027 •	21	20
3.893% due 12/20/2032 •	20	19
Structured Adjustable Rate Mortgage Loan Trust		
2.504% due 01/25/2035 ^~	12	10
3.071% due 11/25/2035 ^~	43	39
3.142% due 04/25/2034 ~	2	2
3.404% due 10/25/2035 •	319	296

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.588% due 08/25/2035 ~		$ 52	$ 47
3.624% due 02/25/2034 ~		98	94
3.645% due 09/25/2036 ^~		332	262
3.841% due 09/25/2035 ~		160	147
5.095% due 10/25/2037 ^~		167	153
Structured Asset Mortgage Investments Trust			
3.344% due 03/25/2037 ~		74	26
3.493% due 07/19/2035 •		327	301
3.504% due 04/25/2036 •		256	225
3.504% due 05/25/2036 •		1,395	1,082
3.544% due 02/25/2036 •		235	212
3.653% due 09/19/2032 ~		53	51
3.653% due 10/19/2034 •		28	27
3.693% due 03/19/2034 ~		79	75
3.704% due 12/25/2035 ^•		120	98
Structured Asset Securities Corp. Mortgage Pass-Through Certificates			
3.494% due 01/25/2034 ~		1	1
TBW Mortgage-Backed Trust			
6.470% due 09/25/2036 ^þ		1,230	47
Towd Point Mortgage Funding			
2.833% due 10/20/2051 •	GBP	17,992	20,050
WaMu Mortgage Pass-Through Certificates Trust			
1.679% due 12/25/2046 ^~		$ 1,161	997
1.804% due 03/25/2047 ^~		2,534	2,220
1.874% due 05/25/2047 •		391	346
2.084% due 06/25/2046 ~		38	36
2.104% due 02/25/2046 •		311	279
2.119% due 02/27/2034 •		296	279
2.304% due 11/25/2042 •		20	19
2.482% due 03/25/2034 ~		28	28
2.504% due 06/25/2042 •		30	27
2.569% due 01/25/2037 ^~		766	685
2.739% due 12/25/2036 ^~		476	427
2.740% due 04/25/2037 ^~		508	462
2.758% due 12/25/2035 ~		17	16
2.781% due 02/25/2037 ^~		936	831
2.828% due 03/25/2035 ~		34	34
2.992% due 12/25/2035 ~		997	954
3.066% due 12/25/2035 ~		191	179
3.206% due 06/25/2033 ~		136	129
3.208% due 02/25/2037 ^~		201	186
3.346% due 05/25/2037 ^~		965	781
3.664% due 07/25/2045 ~		13	12
3.764% due 01/25/2045 •		423	397
3.765% due 08/25/2036 ^~		80	73
3.835% due 09/25/2035 ~		113	105
3.884% due 10/25/2044 •		135	120
4.184% due 07/25/2044 •		522	478
Washington Mutual Mortgage Pass-Through Certificates Trust			
2.074% due 05/25/2046 ^•		811	657
6.000% due 06/25/2037		4,679	3,537
6.500% due 08/25/2035		173	137
Wells Fargo Mortgage-Backed Securities Trust			
2.873% due 04/25/2036 ~		$ 402	$ 382
3.240% due 12/28/2037 ~		1,595	1,462
4.412% due 10/25/2036 ~		11	11
Total Non-Agency Mortgage-Backed Securities (Cost $204,670)			**188,155**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
ASSET-BACKED SECURITIES 9.9%			
522 Funding CLO Ltd.			
3.750% due 10/20/2031 •		8,300	8,110
ACAS CLO Ltd.			
3.630% due 10/18/2028 •		5,482	5,389
ACE Securities Corp. Home Equity Loan Trust			
3.774% due 05/25/2035 •		661	660
4.884% due 10/25/2032 •		6	6
4.884% due 06/25/2034 •		17	17
Adagio CLO DAC			
0.720% due 10/15/2031 •	EUR	1,800	1,714
Aegis Asset-Backed Securities Trust			
3.729% due 12/25/2035 ~		$ 2,350	2,242
Allegro CLO Ltd.			
3.905% due 10/16/2031 •		2,800	2,749
ALME Loan Funding Designated Activity Co.			
0.750% due 04/15/2032 •	EUR	700	666
American Money Management Corp. CLO Ltd.			
3.813% due 04/25/2031 ~		$ 4,500	4,410
3.862% due 11/10/2030 •		5,200	5,127
Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates			
4.014% due 05/25/2035 •		1,252	1,243
Anchorage Capital CLO Ltd.			
3.562% due 07/15/2030 •		8,500	8,387
3.652% due 07/15/2032 •		400	393
3.899% due 07/22/2032 ~		1,000	974
Apidos CLO			
3.640% due 07/18/2029 •		4,000	3,923
3.660% due 10/20/2030 •		1,200	1,166
3.670% due 07/17/2030 ~		10,900	10,684
Aqueduct European CLO DAC			
0.687% due 07/20/2030 •	EUR	1,365	1,311
0.910% due 07/15/2032 ~		2,000	1,877
Arbor Realty Commercial Real Estate Notes Ltd.			
3.735% due 01/15/2037 •		$ 6,100	5,948
Ares CLO Ltd.			
3.562% due 01/15/2032 •		4,000	3,901
3.790% due 04/18/2031 •		800	782
3.809% due 04/22/2031 •		1,800	1,752
Ares European CLO DAC			
0.610% due 04/15/2030 ~	EUR	4,709	4,496
0.780% due 10/15/2031 •		5,900	5,589
Argent Securities Trust			
3.384% due 07/25/2036 ~		$ 2,940	2,570
3.404% due 05/25/2036 ~		1,154	306

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.564% due 05/25/2035 •	$	1,400	$ 1,248
Armada Euro CLO DAC			
0.720% due 07/15/2031 ~	EUR	3,100	2,933
Asset-Backed Funding Certificates Trust			
3.784% due 06/25/2034 •	$	2,339	2,187
Atlas Senior Loan Fund Ltd.			
3.602% due 01/15/2031 •		1,375	1,350
Babson CLO Ltd.			
3.700% due 01/20/2031 •		3,600	3,536
Barings CLO Ltd.			
3.780% due 01/20/2032 ~		3,370	3,281
Bastille Euro CLO DAC			
1.150% due 01/15/2034 •	EUR	1,000	945
BDS Ltd.			
4.818% due 03/19/2039 ~	$	6,100	5,951
Bear Stearns Asset-Backed Securities Trust			
3.604% due 10/25/2036 ~		24	24
Benefit Street Partners CLO Ltd.			
3.462% due 10/15/2030 •		6,850	6,732
3.592% due 07/15/2032 ~		800	778
3.770% due 01/17/2032 •		3,050	2,967
Birch Grove CLO Ltd.			
4.423% due 06/15/2031 •		5,100	5,008
Black Diamond CLO DAC			
0.907% due 01/20/2032 ~	EUR	1,114	1,071
Blackrock European CLO DAC			
0.620% due 10/15/2031 ~		9,300	8,761
0.850% due 07/15/2030 •		5,694	5,458
1.900% due 12/15/2032 ~		2,400	2,244
BlueMountain CLO Ltd.			
3.592% due 07/15/2031 •	$	5,300	5,194
BlueMountain Fuji Eur CLO V DAC			
0.910% due 01/15/2033 •	EUR	900	845
Bosphorus CLO DAC			
1.846% due 12/12/2032 •		2,750	2,599
Cairn CLO DAC			
0.780% due 10/15/2031 •		4,300	4,062
Capital Four U.S. CLO Ltd.			
5.814% due 10/20/2030 •	$	5,800	5,700
Carlyle Global Market Strategies CLO Ltd.			
3.710% due 04/17/2031 •		997	968
3.819% due 07/27/2031 ~		1,984	1,948
3.839% due 04/22/2032 •		2,000	1,950
3.872% due 08/14/2030 ~		10,700	10,549
4.050% due 07/20/2032 •		1,000	976
Carlyle Global Market Strategies Euro CLO DAC			
1.071% due 11/15/2031 ~	EUR	6,660	6,315
Carlyle U.S. CLO Ltd.			
3.692% due 01/15/2030 •	$	2,500	2,448
3.710% due 04/20/2031 •		5,300	5,154

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Carrington Mortgage Loan Trust			
3.564% due 06/25/2036 •	$	5,155	$ 4,978
3.684% due 01/25/2036 •		2,000	1,944
3.760% due 04/17/2031 ~		1,000	982
3.830% due 04/20/2032 •		1,500	1,464
3.960% due 07/20/2030 ~		3,100	3,057
Catamaran CLO Ltd.			
3.859% due 04/22/2030 ~		10,148	10,011
Cedar Funding CLO Ltd.			
3.840% due 07/17/2031 •		2,600	2,531
CIFC European Funding CLO DAC			
1.050% due 01/15/2034 •	EUR	2,300	2,158
CIFC Funding Ltd.			
3.733% due 10/24/2030 •	$	12,600	12,399
3.742% due 04/23/2029 •		2,750	2,720
3.840% due 07/18/2031 ~		1,300	1,267
3.940% due 10/17/2031 •		500	488
CIT Mortgage Loan Trust			
4.584% due 10/25/2037 •		12,029	11,247
Citigroup Mortgage Loan Trust			
3.544% due 12/25/2036 •		2,974	2,170
3.579% due 10/25/2036 ~		17,188	16,499
3.759% due 03/25/2037 ~		2,070	2,026
Contego CLO DAC			
0.785% due 01/23/2030 •	EUR	3,795	3,620
Countrywide Asset-Backed Certificates			
3.334% due 03/25/2037 ~	$	10,033	9,498
Countrywide Asset-Backed Certificates Trust			
3.224% due 08/25/2037 ^~		168	150
3.274% due 11/25/2037 •		7,833	7,227
3.334% due 02/25/2036 •		630	608
3.625% due 11/25/2034 •		2,533	2,296
3.824% due 08/25/2047 ~		622	596
3.864% due 11/25/2034 •		255	241
5.805% due 04/25/2036 ^~		490	413
CQS U.S. CLO Ltd.			
5.997% due 07/20/2031 ~		13,550	13,496
Crestline Denali CLO Ltd.			
3.740% due 04/20/2030 ~		2,613	2,581
3.923% due 10/23/2031 ~		1,000	977
CSAB Mortgage-Backed Trust			
6.184% due 12/25/2036 þ		168	39
CVC Cordatus Loan Fund DAC			
0.650% due 10/15/2031 •	EUR	15,000	14,193
1.101% due 08/15/2032 ~		600	572
1.630% due 09/15/2031 ~		700	664
Denali Capital CLO Ltd.			
3.562% due 04/15/2031 ~	$	1,898	1,854
Dryden CLO Ltd.			
3.562% due 07/15/2031 ~		1,200	1,167
3.710% due 04/18/2031 •		1,900	1,872
Dryden Euro CLO DAC			
0.660% due 04/15/2033 ~	EUR	14,800	14,021

		PRINCIPAL AMOUNT (000S)		MARKET VALUE (000S)
0.880% due 04/15/2034 •	EUR	900	$	840
0.982% due 01/17/2033 •		1,100		1,036
1.181% due 05/15/2034 •		9,600		9,092
Dryden Senior Loan Fund				
3.532% due 04/15/2029 ~	$	13,942		13,797
Euro-Galaxy CLO DAC				
0.765% due 04/24/2034 •	EUR	1,600		1,514
Fidelity Grand Harbour CLO DAC				
2.200% due 03/15/2032 ~		4,474		4,113
First Franklin Mortgage Loan Trust				
3.189% due 10/25/2036 •	$	1,407	$	1,228
3.789% due 11/25/2036 •		14,395		13,837
Fremont Home Loan Trust				
3.219% due 10/25/2036 ~		2,176		1,951
Gallatin CLO Ltd.				
3.602% due 07/15/2031 ~		6,100		5,977
3.782% due 01/21/2028 ~		313		312
GoldenTree Loan Management U.S. CLO Ltd.				
3.620% due 11/20/2030 ~		2,400		2,342
GSAA Home Equity Trust				
6.720% due 03/25/2046 þ		1,290		788
GSAMP Trust				
3.224% due 12/25/2036 •		1,807		1,009
3.454% due 03/25/2047 •		3,000		2,487
4.059% due 03/25/2035 ^•		2,498		2,261
Halseypoint CLO Ltd.				
4.232% due 11/30/2032 ~		900		879
Harvest CLO DAC				
0.640% due 10/15/2031 •	EUR	1,500		1,422
0.727% due 10/20/2031 •		13,000		12,337
0.730% due 10/15/2030 •		1,498		1,433
0.760% due 07/15/2031 •		2,000		1,882
Home Equity Asset Trust				
3.699% due 04/25/2036 ~	$	1,106		1,089
3.759% due 02/25/2036 •		10,071		9,757
HSI Asset Securitization Corp. Trust				
3.624% due 02/25/2036 •		1,561		1,540
ICG U.S. CLO Ltd.				
3.792% due 04/21/2031 •		750		734
IndyMac INDB Mortgage Loan Trust				
3.224% due 07/25/2036 ~		3,960		1,279
Invesco Euro CLO DAC				
0.650% due 07/15/2031 •	EUR	1,000		951
0.920% due 07/15/2032 ~		600		562
JP Morgan Mortgage Acquisition Trust				
3.294% due 10/25/2036 •	$	243		239
Jubilee CLO DAC				
0.650% due 04/15/2031 ~	EUR	6,500		6,189
0.650% due 04/15/2031 •		1,800		1,679
KKR CLO Ltd.				
3.462% due 07/15/2030 ~	$	7,000		6,917
3.692% due 01/15/2031 •		2,600		2,554

		PRINCIPAL AMOUNT (000S)		MARKET VALUE (000S)
Laurelin DAC				
0.767% due 10/20/2031 •	EUR	4,700	$	4,447
LCM LP				
3.710% due 07/20/2030 •	$	4,000		3,935
LCM Ltd.				
3.577% due 07/20/2030 •		3,000		2,951
Lehman ABS Manufactured Housing Contract Trust				
7.170% due 04/15/2040 ^~		3,982		2,679
Lehman XS Trust				
3.404% due 05/25/2036 •		2,685		2,910
3.884% due 10/25/2035 ~		15		15
4.292% due 06/25/2036 þ		4,137		4,011
LoanCore Issuer Ltd.				
3.834% due 01/17/2037 ~		11,600		11,262
M360 Ltd.				
4.552% due 11/22/2038 ~		1,900		1,861
Madison Park Euro Funding DAC				
0.880% due 07/15/2035 •	EUR	1,331		1,215
Madison Park Funding Ltd.				
0.000% due 07/29/2030 ~	$	3,000		2,965
3.262% due 04/15/2029 •		4,813		4,741
3.589% due 04/22/2027 •		3,368		3,320
3.753% due 04/25/2029 •		1,484		1,458
Magnetite Ltd.				
3.785% due 11/15/2028 •		7,452		7,294
Man GLG Euro CLO DAC				
0.870% due 01/15/2030 •	EUR	2,504		2,421
1.021% due 05/15/2031 •		700		670
1.690% due 12/15/2031 ~		8,600		8,127
Marathon Static CLO Ltd.				
5.070% due 07/20/2030 •	$	4,200		4,166
Marble Point CLO Ltd.				
3.552% due 10/15/2030 ~		6,700		6,596
Merrill Lynch Mortgage Investors Trust				
3.244% due 09/25/2037 ~		72		16
3.324% due 02/25/2037 ~		109		37
3.384% due 11/25/2037 •		10,098		3,756
MF1 Ltd.				
4.039% due 07/16/2036 •		2,000		1,942
4.073% due 10/16/2036 •		2,300		2,208
5.174% due 06/19/2037 •		10,200		10,011
MidOcean Credit CLO				
3.836% due 01/29/2030 ~		6,107		6,023
3.858% due 07/19/2028 •		576		569
4.034% due 02/20/2031 •		6,100		5,977
Morgan Stanley ABS Capital, Inc. Trust				
3.304% due 10/25/2036 •		1,604		796
3.314% due 10/25/2036 ~		119		66
3.424% due 03/25/2037 ~		440		207
4.134% due 06/25/2035 ^~		6,500		5,907
Morgan Stanley Dean Witter Capital, Inc. Trust				
4.434% due 02/25/2033 ~		325		317

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Morgan Stanley Mortgage Loan Trust			
5.750% due 04/25/2037 ^~	$	107	$ 55
6.000% due 02/25/2037 ^~		88	60
New Century Home Equity Loan Trust			
3.849% due 02/25/2035 ~		770	732
Nomura Home Equity Loan, Inc. Home Equity Loan Trust			
3.519% due 03/25/2036 •		2,325	2,274
NovaStar Mortgage Funding Trust			
3.424% due 11/25/2036 ~		1,319	465
3.789% due 01/25/2036 ~		832	825
4.164% due 06/25/2035 ~		1,133	1,123
Oak Hill European Credit Partners DAC			
0.787% (EUR003M + 0.740%) due 10/20/2031 ~	EUR	10,500	9,968
Oaktree CLO Ltd.			
3.869% due 04/22/2030 ~	$	3,450	3,379
OCP Euro CLO DAC			
0.820% due 01/15/2032 •	EUR	800	768
Octagon Investment Partners Ltd.			
3.905% due 02/14/2031 •	$	4,800	4,691
Octagon Loan Funding Ltd.			
4.141% due 11/18/2031 ~		320	313
Option One Mortgage Loan Trust			
3.324% due 04/25/2037 •		6,953	3,501
OSD CLO Ltd.			
3.610% due 04/17/2031 ~		2,491	2,423
OZLM Ltd.			
3.720% due 10/17/2029 •		7,549	7,422
3.870% due 07/20/2032 •		4,600	4,463
4.032% due 10/30/2030 •		791	780
Palmer Square CLO Ltd.			
3.840% due 07/16/2031 •		2,600	2,531
Palmer Square European Loan Funding			
0.000% due 04/12/2032 «•(a)	EUR	40,900	39,967
Palmer Square European Loan Funding DAC			
1.050% due 10/15/2031 •	EUR	6,200	5,939
Palmer Square Loan Funding Ltd.			
3.510% due 07/20/2029 ~	$	15,571	15,389
3.784% due 05/20/2029 ~		359	355
Park Place Securities, Inc. Asset-Backed Pass-Through Certificates			
3.819% due 09/25/2035 •		2,551	2,476
4.014% due 05/25/2035 •		8,391	7,730
4.074% due 09/25/2034 ~		46	46
4.134% due 10/25/2034 •		3,329	3,269
4.809% due 02/25/2035 •		1,636	1,461
Rad CLO Ltd.			
3.903% due 07/24/2032 •		2,500	2,429
Regatta Funding Ltd.			
3.990% due 10/17/2030 ~		13,900	13,686
Renaissance Home Equity Loan Trust			
4.184% due 09/25/2037 ~		31,601	15,295

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
Residential Asset Securities Corp. Trust			
3.564% due 08/25/2036 •	$	4,471	$ 3,935
Romark CLO Ltd.			
3.813% due 10/23/2030 •		7,100	6,971
Saranac CLO Ltd.			
4.214% due 11/20/2029 •		2,163	2,146
4.385% due 08/13/2031 ~		1,500	1,469
Saxon Asset Securities Trust			
1.951% due 05/25/2035 ~		431	414
3.804% due 11/25/2037 •		1,915	1,679
Securitized Asset-Backed Receivables LLC Trust			
3.404% due 07/25/2036 ~		3,138	1,231
Segovia European CLO DAC			
0.927% due 07/20/2032 ~	EUR	3,900	3,687
Signal Peak CLO Ltd.			
3.893% due 04/25/2031 •	$	1,650	1,615
SLM Student Loan Trust			
3.683% due 07/25/2023 •		5,988	5,812
4.283% due 04/25/2023 •		26,187	26,000
Sound Point CLO Ltd.			
3.683% due 01/23/2029 ~		7,165	7,097
3.760% due 10/20/2028 ~		10,404	10,351
3.763% due 07/25/2030 •		9,600	9,429
3.773% due 01/23/2029 •		16,231	16,109
3.890% due 04/18/2031 ~		2,287	2,231
3.920% due 07/20/2032 •		7,700	7,557
Soundview Home Loan Trust			
3.264% due 07/25/2037 •		3,127	2,850
St. Paul's CLO DAC			
0.975% due 04/25/2030 •	EUR	3,893	3,722
Starwood Commercial Mortgage Trust			
4.116% due 07/15/2038 ~	$	16,345	16,272
Stratus CLO Ltd.			
3.610% due 12/28/2029 ~		3,014	2,953
3.660% due 12/29/2029 ~		8,372	8,230
Structured Asset Investment Loan Trust			
3.789% due 03/25/2034 ~		179	168
Structured Asset Securities Corp. Mortgage Loan Trust			
3.384% due 04/25/2036 ~		18,594	15,997
3.654% due 10/25/2036 •		1,792	1,751
4.064% due 04/25/2035 •		55	54
Symphony CLO Ltd.			
3.392% due 04/15/2028 ~		999	993
3.433% due 07/14/2026 •		488	486
THL Credit Wind River CLO Ltd.			
3.592% due 04/15/2031 ~		10,300	10,012
TICP CLO Ltd.			
3.550% due 04/20/2028 ~		4,162	4,123
Toro European CLO DAC			
0.740% due 10/15/2030 •	EUR	4,900	4,686
0.740% due 10/15/2030 ~		2,644	2,529

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
TPG Real Estate Finance Issuer Ltd.			
3.935% due 02/15/2039 •		$ 9,300	$ 9,058
Tralee CLO Ltd.			
4.103% due 04/25/2034 •		5,100	4,948
Venture CLO Ltd.			
3.392% due 04/15/2027 ~		3,836	3,759
3.392% due 07/15/2027 •		617	617
3.572% due 07/15/2031 ~		1,300	1,274
3.610% due 10/20/2028 •		1,524	1,492
3.810% due 01/20/2029 ~		6,374	6,300
3.895% due 09/07/2030 ~		5,300	5,208
4.073% due 08/28/2029 ~		8,332	8,208
Vibrant CLO Ltd.			
3.750% due 09/15/2030 •		12,300	12,091
3.830% due 07/20/2032 •		500	486
4.477% due 06/20/2029 ~		754	747
VMC Finance LLC			
4.184% due 02/18/2039 •		500	483
Voya CLO Ltd.			
3.492% due 06/07/2030 •		1,300	1,280
3.572% due 04/15/2031 ~		3,300	3,242
3.640% due 01/18/2029 ~		8,311	8,222
3.722% due 10/15/2030 •		3,187	3,163
Wellfleet CLO Ltd.			
3.600% due 04/20/2029 ~		7,737	7,670
3.600% due 07/20/2029 •		3,993	3,940
3.620% due 04/20/2028 •		1,798	1,787
3.880% due 07/20/2032 ~		475	459
Wells Fargo Home Equity Asset-Backed Securities Trust			
5.484% due 12/25/2034 ~		400	395
Wind River CLO Ltd.			
3.790% due 07/18/2031 •		1,693	1,660
Total Asset-Backed Securities (Cost $1,044,393)			**993,366**
SOVEREIGN ISSUES 8.4%			
Argentina Government International Bond			
47.331% (BADLARPP) due 10/04/2022 ~	ARS	6,900	3
Australia Government International Bond			
3.000% due 09/20/2025 (d)	AUD	14,590	9,779
Canada Government Real Return Bond			
4.250% due 12/01/2026 (d)	CAD	36,604	29,415
France Government International Bond			
0.100% due 03/01/2026 (d)(h)	EUR	76,250	76,092
0.100% due 07/25/2031 (d)(h)		15,140	14,607
0.100% due 07/25/2038 (d)(h)	EUR	42,301	$ 37,760
0.250% due 07/25/2024 (d)(h)		55,802	56,491
Italy Buoni Poliennali Del Tesoro			
0.400% due 05/15/2030 (d)		33,964	29,099
1.400% due 05/26/2025 (d)		279,222	273,251
Japan Government International Bond			
0.005% due 03/10/2031 (d)	JPY	2,332,071	17,120
0.100% due 03/10/2028 (d)		3,991,566	29,000
0.100% due 03/10/2029 (d)		3,343,698	24,374
Mexico Government International Bond			
4.000% due 11/08/2046 (d)	MXN	1,260	58
7.750% due 05/29/2031		206,976	9,132
New Zealand Government International Bond			
2.000% due 09/20/2025 (d)	NZD	19,449	10,977
Peru Government International Bond			
5.940% due 02/12/2029	PEN	17,700	3,910
Qatar Government International Bond			
3.875% due 04/23/2023	$	4,000	3,990
Saudi Government International Bond			
4.000% due 04/17/2025		9,570	9,377
United Kingdom Gilt			
0.125% due 03/22/2024 (d)	GBP	95,721	109,142
0.125% due 03/22/2058 (d)		15,654	20,443
1.250% due 11/22/2027 (d)		24,498	29,118
1.875% due 11/22/2022 (d)(h)		42,729	48,080
Total Sovereign Issues (Cost $1,009,253)			**841,218**

	SHARES	
PREFERRED SECURITIES 0.6%		
BANKING & FINANCE 0.1%		
Banco Santander SA		
5.250% due 09/29/2023 •(e)(f)	800,000	706

	SHARES	MARKET VALUE (000S)
Bank of America Corp.		
5.875% due 03/15/2028 •(e)	6,580,000	$ 5,670
		6,376
UTILITIES 0.5%		
AT&T Mobility LLC		
7.000% due 01/20/2023 «(e)(g)	2,004,101	51,007
Total Preferred Securities (Cost $61,617)		**57,383**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
SHORT-TERM INSTRUMENTS 0.0%		
U.S. TREASURY BILLS 0.0%		
2.566% due 10/27/2022 - 12/15/2022 (b)(c)(l)	$ 2,420	2,413
Total Short-Term Instruments (Cost $2,413)		**2,413**
Total Investments in Securities (Cost $13,114,057)		**11,479,572**

	SHARES	MARKET VALUE (000S)
INVESTMENTS IN AFFILIATES 0.0%		
SHORT-TERM INSTRUMENTS 0.0%		
CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 0.0%		
PIMCO Short-Term Floating NAV Portfolio III	95,057	$ 923
Total Short-Term Instruments (Cost $923)		**923**
Total Investments in Affiliates (Cost $923)		**923**
Total Investments 114.5% (Cost $13,114,980)		**$ 11,480,495**
Financial Derivative Instruments (i)(k) (1.1)% (Cost or Premiums, net $6,068)		**(108,707)**
Other Assets and Liabilities, net (13.4)%		**(1,347,540)**
Net Assets 100.0%		**$ 10,024,248**

NOTES TO SCHEDULE OF INVESTMENTS:

- * A zero balance may reflect actual amounts rounding to less than one thousand.
- ^ Security is in default.
- « Security valued using significant unobservable inputs (Level 3).
- ~ Variable or Floating rate security. Rate shown is the rate in effect as of period end. Certain variable rate securities are not based on a published reference rate and spread, rather are determined by the issuer or agent and are based on current market conditions. Reference rate is as of reset date, which may vary by security. These securities may not indicate a reference rate and/or spread in their description.
- • Rate shown is the rate in effect as of period end. The rate may be based on a fixed rate, a capped rate or a floor rate and may convert to a variable or floating rate in the future. These securities do not indicate a reference rate and spread in their description.
- þ Coupon represents a rate which changes periodically based on a predetermined schedule or event. Rate shown is the rate in effect as of period end.

(a) When-issued security.
(b) Coupon represents a weighted average yield to maturity.
(c) Zero coupon security.
(d) Principal amount of security is adjusted for inflation.
(e) Perpetual maturity; date shown, if applicable, represents next contractual call date.
(f) Contingent convertible security.

(g) RESTRICTED SECURITIES:

Issuer Description	Coupon	Maturity Date	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
AT&T Mobility LLC	7.000%	01/20/2023	09/24/2020	$ 54,207	$ 51,007	0.51%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

REVERSE REPURCHASE AGREEMENTS:

Counterparty	Borrowing Rate[(1)]	Settlement Date	Maturity Date	Amount Borrowed[(1)]	Payable for Reverse Repurchase Agreements
BRC	0.500%	09/14/2022	10/13/2022	EUR (195,074)	$ (191,233)
STR	3.010	09/30/2022	10/03/2022	$ (725,996)	(726,178)
	3.020	10/03/2022	10/04/2022	(735,858)	(735,858)
UBS	2.460	09/20/2022	11/08/2022	GBP (40,739)	(45,526)
Total Reverse Repurchase Agreements					**$ (1,698,795)**

SALE-BUYBACK TRANSACTIONS:

Counterparty	Borrowing Rate[(1)]	Borrowing Date	Maturity Date	Amount Borrowed[(1)]	Payable for Sale-Buyback Transactions
BCY	2.760%	09/26/2022	10/03/2022	$(984)	$ (984)
Total Sale-Buyback Transactions					**$ (984)**

BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral pledged/(received) as of September 30, 2022:

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral Pledged/ (Received)	Net Exposure[(2)]
Global/Master Repurchase Agreement						
BRC	$ 0	$ (191,233)	$ 0	$ (191,233)	$ 190,912	$ (321)
STR	0	(1,462,036)	0	(1,462,036)	737,295	(724,741)
UBS	0	(45,526)	0	(45,526)	45,241	(285)
Master Securities Forward Transaction Agreement						
BCY	0	0	(984)	(984)	1,122	138
Total Borrowings and Other Financing Transactions	**$ 0**	**$ (1,698,795)**	**$ (984)**			

CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

Remaining Contractual Maturity of the Agreements

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
Reverse Repurchase Agreements					
U.S. Treasury Obligations	$ 0	$ (726,178)	$ 0	$ 0	$ (726,178)
Sovereign Issues	0	(191,233)	(45,526)	0	(236,759)
Total	**$ 0**	**$ (917,411)**	**$ (45,526)**	**$ 0**	**$ (962,937)**
Sale-Buyback Transactions					
U.S. Treasury Obligations	0	(984)	0	0	(984)
Total	**$ 0**	**$ (984)**	**$ 0**	**$ 0**	**$ (984)**
Total Borrowings	**$ 0**	**$ (918,395)**	**$ (45,526)**	**$ 0**	**$ (963,921)**
Payable for reverse repurchase agreements and sale-buyback financing transactions(3)					**$ (963,921)**

(h) Securities with an aggregate market value of $968,563 and cash of $6,006 have been pledged as collateral under the terms of the above master agreements as of September 30, 2022.

(1) The average amount of borrowings outstanding during the period ended September 30, 2022 was $(1,983,135) at a weighted average interest rate of 0.990%. Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

(2) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(3) Unsettled reverse repurchase agreements liability of $(735,858) is outstanding at period end.

(i) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

FUTURES CONTRACTS:

LONG FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
3-Month Euribor March Futures	03/2023	4,412	$ 1,050,727	$ (33,218)	$ 1,243	$ 0
U.S. Treasury 5-Year Note December Futures	12/2022	8,252	887,154	(32,056)	0	(2,192)
U.S. Treasury 10-Year Ultra December Futures	12/2022	1,488	176,305	(11,514)	0	(744)
U.S. Treasury Ultra Long-Term Bond December Futures	12/2022	1,624	222,488	(20,234)	0	(2,639)
				$ (97,022)	$ 1,243	$ (5,575)

SHORT FUTURES CONTRACTS

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
Australia Government 3-Year Bond December Futures	12/2022	190	$ (12,951)	$ 131	$ 0	$ (60)
Australia Government 10-Year Bond December Futures	12/2022	52	(3,896)	72	0	(64)

Description	Expiration Month	# of Contracts	Notional Amount	Unrealized Appreciation/ (Depreciation)	Variation Margin Asset	Variation Margin Liability
Euro-Bobl December Futures	12/2022	1,452	(170,408)	$ 4,676	$ 43	$ (840)
Euro-BTP December Futures	12/2022	2,037	(223,553)	9,609	878	(2,296)
Euro-BTP Italy Government Bond December Futures	12/2022	1,398	(144,300)	1,862	0	(753)
Euro-Bund 10-Year Bond December Futures	12/2022	509	(69,085)	1,591	205	(494)
Euro-Buxl 30-Year Bond December Futures	12/2022	754	(108,361)	10,077	2,246	(828)
Euro-OAT France Government 10-Year Bond December Futures	12/2022	700	(90,639)	4,249	364	(624)
Euro-Schatz December Futures	12/2022	8,241	(865,528)	8,616	0	(1,979)
Gold 100 oz. December Futures	12/2022	491	(82,095)	1,687	0	(167)
Japan Government 10-Year Bond December Futures	12/2022	626	(641,441)	201	0	(1,384)
U.S. Treasury 2-Year Note December Futures	12/2022	1,651	(339,100)	5,308	245	0
U.S. Treasury 10-Year Note December Futures	12/2022	12,663	(1,419,047)	70,331	4,947	0
U.S. Treasury 30-Year Bond December Futures	12/2022	3,627	(458,475)	37,421	2,380	0
United Kingdom Long Gilt December Futures	12/2022	69	(7,427)	1,053	59	0
				$ 156,884	$ 11,367	$ (9,489)
Total Futures Contracts				**$ 59,862**	**$ 12,610**	**$ (15,064)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION[(1)]

Reference Entity	Fixed Receive Rate	Payment Frequency	Maturity Date	Implied Credit Spread at September 30, 2022[(2)]	Notional Amount[(3)]	Premiums Paid/ (Received)	Unrealized Appreciation/ (Depreciation)	Market Value[(4)]	Variation Margin Asset	Variation Margin Liability
Barclays Bank PLC	1.000%	Quarterly	12/20/2022	0.744%	EUR 4,900	$ 32	$ (28)	$ 4	$ 0	$ 0
General Electric Co.	1.000	Quarterly	12/20/2023	0.652	$ 4,100	(4)	23	19	1	0
						$ 28	$ (5)	$ 23	$ 1	$ 0

INTEREST RATE SWAPS

Pay/ Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/ (Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Receive[(5)]	1-Day GBP-SONIO Compounded-OIS	2.000%	Annual	03/15/2053	GBP 36,500	$ 11,211	$ 5	$ 11,216	$ 0	$ (79)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.300	Semi-Annual	03/20/2028	JPY 1,141,690	(252)	280	28	0	(12)
Receive	1-Day JPY-MUTKCALM Compounded-OIS	0.450	Semi-Annual	03/20/2029	2,225,400	(790)	767	(23)	0	(30)
Pay[(5)]	3-Month EUR-EURIBOR	0.526	Annual	11/21/2023	EUR 339,900	0	(10,435)	(10,435)	417	0
Receive	3-Month NZD-BBR	3.250	Semi-Annual	03/21/2028	NZD 24,850	(3,596)	4,450	854	0	(52)
Receive[(5)]	3-Month USD-LIBOR	1.840	Semi-Annual	11/15/2028	$ 82,200	0	7,260	7,260	307	0
Receive[(5)]	3-Month USD-LIBOR	1.840	Semi-Annual	11/21/2028	44,000	0	3,877	3,877	164	0
Pay[(5)]	3-Month USD-LIBOR	1.975	Semi-Annual	11/15/2053	17,100	0	(3,963)	(3,963)	0	(197)
Pay[(5)]	3-Month USD-LIBOR	1.888	Semi-Annual	11/21/2053	8,800	0	(2,176)	(2,176)	0	(100)
Pay	6-Month EUR-EURIBOR	0.550	Annual	08/10/2024	EUR 22,800	(79)	(759)	(838)	35	0
Pay	6-Month EUR-EURIBOR	0.700	Annual	04/11/2027	16,500	(81)	(1,354)	(1,435)	82	0
Pay	6-Month EUR-EURIBOR	0.650	Annual	04/12/2027	600	(3)	(51)	(54)	3	0
Pay	6-Month EUR-EURIBOR	0.650	Annual	05/11/2027	34,000	(256)	(2,854)	(3,110)	146	0
Pay	6-Month EUR-EURIBOR	1.000	Annual	05/13/2027	35,900	(131)	(2,574)	(2,705)	155	0
Pay	6-Month EUR-EURIBOR	1.000	Annual	05/18/2027	16,100	(60)	(1,159)	(1,219)	68	0

Pay/ Receive Floating Rate	Floating Rate Index	Fixed Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/ (Received)	Unrealized Appreciation/ (Depreciation)	Market Value	Variation Margin Asset	Variation Margin Liability
Pay	CPTFEMU	1.085	Maturity	01/15/2024	EUR 40	(1)	$ 5	$ 4	$ 0	$ 0
Receive	CPTFEMU	3.520	Maturity	09/15/2024	18,100	(47)	57	10	102	0
Receive	CPTFEMU	3.720	Maturity	09/15/2024	28,600	(62)	189	127	162	0
Pay	CPTFEMU	3.130	Maturity	05/15/2027	15,900	0	27	27	0	(159)
Pay	CPTFEMU	2.359	Maturity	08/15/2030	15,800	0	146	146	0	(176)
Receive	CPTFEMU	1.380	Maturity	03/15/2031	109,200	(788)	(16,837)	(17,625)	1,417	0
Pay	CPTFEMU	2.600	Maturity	05/15/2032	32,100	168	(81)	87	0	(378)
Pay	CPTFEMU	2.570	Maturity	06/15/2032	14,400	0	(125)	(125)	0	(174)
Pay	CPTFEMU	2.720	Maturity	06/15/2032	35,300	(35)	(771)	(806)	0	(428)
Pay	CPTFEMU	2.470	Maturity	07/15/2032	15,100	0	9	9	0	(171)
Receive	CPTFEMU	2.488	Maturity	05/15/2037	30,630	36	(237)	(201)	391	0
Receive	CPTFEMU	2.580	Maturity	03/15/2052	5,700	4	35	39	55	0
Receive	CPTFEMU	2.590	Maturity	03/15/2052	7,900	(206)	284	78	76	0
Receive	CPTFEMU	2.550	Maturity	04/15/2052	1,150	1	10	11	10	0
Receive	CPTFEMU	2.421	Maturity	05/15/2052	4,430	0	(112)	(112)	42	0
Pay	CPURNSA	2.210	Maturity	02/05/2023	$ 116,510	(3,342)	13,195	9,853	0	(4)
Receive	CPURNSA	5.033	Maturity	03/08/2023	19,100	0	(217)	(217)	0	(9)
Receive	CPURNSA	5.470	Maturity	03/21/2023	10,800	0	(52)	(52)	0	(7)
Receive	CPURNSA	5.500	Maturity	03/21/2023	40,100	0	(182)	(182)	0	(25)
Pay	CPURNSA	2.263	Maturity	04/27/2023	14,183	(506)	1,623	1,117	13	0
Receive	CPURNSA	5.320	Maturity	04/29/2023	2,100	0	1	1	0	(2)
Receive	CPURNSA	5.150	Maturity	05/23/2023	52,800	0	309	309	0	(55)
Receive	CPURNSA	5.185	Maturity	05/24/2023	66,600	0	432	432	0	(69)
Pay	CPURNSA	2.314	Maturity	02/26/2026	67,600	0	6,323	6,323	0	(165)
Pay	CPURNSA	2.419	Maturity	03/05/2026	79,200	0	7,008	7,008	0	(170)
Pay	CPURNSA	2.768	Maturity	05/13/2026	45,200	0	3,074	3,074	0	(90)
Pay	CPURNSA	2.813	Maturity	05/14/2026	18,800	0	1,235	1,235	0	(37)
Pay	CPURNSA	2.703	Maturity	05/25/2026	20,410	5	1,424	1,429	0	(39)
Pay	CPURNSA	2.690	Maturity	06/01/2026	20,400	0	1,425	1,425	0	(42)
Receive	CPURNSA	2.370	Maturity	06/06/2028	22,300	1,402	(3,110)	(1,708)	69	0
Receive	CPURNSA	2.379	Maturity	07/09/2028	14,700	956	(2,050)	(1,094)	48	0
Pay	CPURNSA	2.573	Maturity	08/26/2028	9,200	0	479	479	0	(28)
Pay	CPURNSA	2.645	Maturity	09/10/2028	12,700	0	566	566	0	(40)
Receive	CPURNSA	2.165	Maturity	04/16/2029	32,400	1,066	(4,320)	(3,254)	117	0
Receive	CPURNSA	1.998	Maturity	07/25/2029	9,100	155	(1,174)	(1,019)	36	0
Receive	CPURNSA	1.760	Maturity	11/04/2029	78,400	(999)	(9,642)	(10,641)	336	0
Receive	CPURNSA	1.883	Maturity	11/20/2029	23,300	14	(2,923)	(2,909)	99	0
Pay	CPURNSA	2.311	Maturity	02/24/2031	34,500	30	3,085	3,115	0	(148)
Pay	FRCPXTOB	1.030	Maturity	03/15/2024	EUR 20,100	(760)	2,186	1,426	0	(50)
Receive	FRCPXTOB	1.910	Maturity	01/15/2038	200	52	(78)	(26)	3	0
Receive	FRCPXTOB	1.410	Maturity	11/15/2039	4,700	392	(1,515)	(1,123)	59	0
Pay	UKRPI	4.480	Maturity	09/15/2023	GBP 14,000	0	1,664	1,664	29	0
Pay	UKRPI	6.290	Maturity	03/15/2024	15,900	(8)	778	770	36	0
Pay	UKRPI	6.440	Maturity	05/15/2024	8,200	0	286	286	16	0
Pay	UKRPI	6.600	Maturity	05/15/2024	39,200	62	1,170	1,232	77	0
Pay	UKRPI	5.200	Maturity	06/15/2024	30,600	0	938	938	56	0
Receive	UKRPI	3.850	Maturity	09/15/2024	53,400	3,763	(10,264)	(6,501)	0	(189)
Receive	UKRPI	3.330	Maturity	01/15/2025	58,600	1,310	(10,772)	(9,462)	0	(283)
Receive	UKRPI	3.473	Maturity	08/15/2025	71,800	347	(13,294)	(12,947)	0	(493)
Pay	UKRPI	4.735	Maturity	12/15/2026	42,500	(570)	4,448	3,878	419	0
Pay	UKRPI	4.615	Maturity	02/15/2027	34,800	0	2,986	2,986	355	0
Pay	UKRPI	4.626	Maturity	02/15/2027	39,300	34	3,315	3,349	402	0
Receive	UKRPI	3.390	Maturity	01/15/2030	22,670	211	(4,889)	(4,678)	0	(417)
Receive	UKRPI	3.438	Maturity	01/15/2030	41,700	736	(9,124)	(8,388)	0	(770)
Receive	UKRPI	3.325	Maturity	08/15/2030	15,900	751	(4,207)	(3,456)	0	(425)
Receive	UKRPI	3.750	Maturity	04/15/2031	22,000	(4)	(4,373)	(4,377)	0	(590)
Receive	UKRPI	4.066	Maturity	09/15/2031	16,000	0	(2,283)	(2,283)	0	(468)
Pay	UKRPI	4.125	Maturity	09/15/2032	9,880	0	354	354	334	0
Pay	UKRPI	4.130	Maturity	09/15/2032	38,030	3	1,339	1,342	1,284	0
Receive	UKRPI	3.566	Maturity	03/15/2036	12,250	0	(2,589)	(2,589)	0	(759)
Receive	UKRPI	3.580	Maturity	03/15/2036	30,440	(160)	(6,205)	(6,365)	0	(1,887)
						$ 9,973	$ (59,707)	$ (49,734)	$ 7,420	$ (9,217)
Total Swap Agreements						**$ 10,001**	**$ (59,712)**	**$ (49,711)**	**$ 7,421**	**$ (9,217)**

FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of September 30, 2022:

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value	Variation Margin Asset			Market Value	Variation Margin Liability		
	Purchased Options	Futures	Swap Agreements	Total	Written Options	Futures	Swap Agreements	Total
Total Exchange-Traded or Centrally Cleared	**$ 0**	**$ 12,610**	**$ 7,421**	**$ 20,031**	**$ 0**	**$ (15,064)**	**$ (9,217)**	**$ (24,281)**

(j) Securities with an aggregate market value of $68,609 and cash of $32,756 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of September 30, 2022. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

(1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(3) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(4) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(5) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

(k) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/(Depreciation) Asset	Unrealized Appreciation/(Depreciation) Liability
BOA	10/2022	DKK	1,194,506	$	161,489	$ 4,038	$ 0
	10/2022	$	2,446	EUR	2,449	0	(46)
	10/2022		2,052	GBP	1,753	0	(95)
	11/2022	DKK	612,296	$	79,990	0	(878)
	11/2022	NOK	2,635		272	30	0
BPS	10/2022	NZD	13,869		8,482	720	0
	10/2022	$	40,245	DKK	313,152	1,032	0
	10/2022		4,475	EUR	4,645	77	0
	10/2022		16,381	GBP	14,398	129	(435)
	10/2022		2,977	JPY	425,300	0	(38)
	10/2022		11,370	NZD	19,904	0	(231)
	10/2022		331	PLN	1,538	0	(21)

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation) Asset	Unrealized Appreciation/ (Depreciation) Liability
	11/2022	DKK	312,528	$	40,245	$ 0	$ (1,031)
	11/2022	NZD	19,904		11,370	229	0
CBK	10/2022	EUR	359,097		360,050	8,117	0
	10/2022	JPY	4,468,412		32,375	1,501	0
	10/2022	PEN	7,328		1,889	49	0
	10/2022	$	5,726	GBP	5,010	11	(143)
	10/2022		1,890	PEN	7,328	0	(51)
	11/2022	GBP	11,251	$	12,280	0	(290)
	12/2022	MXN	38,752		1,901	0	0
	12/2022	$	1,875	PEN	7,328	0	(51)
DUB	10/2022	MXN	141	$	7	0	0
GLM	10/2022	DKK	1,916,189		257,838	5,259	0
	10/2022	$	1,858	EUR	1,854	0	(41)
	12/2022	PEN	27,571	$	6,925	58	0
JPM	10/2022	CAD	18,253		14,106	893	0
	10/2022	SGD	256		182	4	0
	10/2022	$	30,390	DKK	225,165	0	(710)
	10/2022		3,398	EUR	3,435	17	(49)
	12/2022	KRW	228,321	$	170	11	0
	12/2022	TWD	4,313		139	3	0
MBC	10/2022	GBP	2,491		2,856	75	0
	10/2022	$	11,165	CAD	15,295	0	(93)
	10/2022		28,260	EUR	29,088	384	(135)
	10/2022		4,734	GBP	4,370	198	(53)
	10/2022		2,800	JPY	403,700	0	(10)
	10/2022		4,207	NZD	6,894	0	(348)
	11/2022	CAD	15,296	$	11,165	92	0
MYI	10/2022	AUD	6,695		4,655	373	0
	10/2022	CAD	8,409		6,413	325	0
	10/2022	MXN	128,076		6,270	0	(66)
	10/2022	NZD	12,929		8,003	767	0
	10/2022	$	8,037	AUD	12,380	0	(118)
	10/2022		166,613	GBP	153,915	5,241	0
	10/2022		19,869	JPY	2,865,127	0	(73)
	11/2022	AUD	12,380	$	8,040	119	0
	11/2022	GBP	153,915		166,710	0	(5,252)
	11/2022	JPY	2,857,467		19,869	73	0
RBC	10/2022	CAD	2,634		2,027	121	0
SCX	10/2022	AUD	727		505	40	0
	10/2022	$	3,108	EUR	3,106	0	(64)
	11/2022	DKK	987,476	$	128,887	0	(1,532)
	11/2022	SEK	5,555		542	41	0
	12/2022	KRW	307,359		231	18	0
	12/2022	TWD	1,983		65	3	0
SOG	10/2022	EUR	137,423		138,293	3,612	0
	10/2022	$	445,833	EUR	465,019	9,909	0
	11/2022	EUR	465,019	$	446,738	0	(9,913)
TOR	10/2022	AUD	10,507		7,342	622	0
	10/2022	CAD	12,401		9,548	570	0
	10/2022	JPY	6,372,708		46,675	2,643	0
	10/2022	$	19,347	CAD	26,402	0	(233)
	11/2022	CAD	26,406	$	19,347	232	0
	11/2022	DKK	933,275		122,903	0	(357)
UAG	10/2022	EUR	13,076		12,673	0	(143)
	10/2022	GBP	173,599		201,986	8,154	0
	10/2022	$	1,606	AUD	2,479	0	(20)
	10/2022		54,149	JPY	7,807,802	0	(202)
	11/2022	AUD	2,479	$	1,607	20	0
	11/2022	GBP	2,511		2,725	0	(80)
	11/2022	JPY	7,786,919		54,149	201	0
	11/2022	$	12,698	EUR	13,076	143	0
Total Forward Foreign Currency Contracts						**$ 56,154**	**$ (22,802)**

PURCHASED OPTIONS:

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/ Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount(1)	Cost	Market Value
BPS	Put - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.195%	11/02/2022	34,090	$ 26	$ 15,218
	Put - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.197	11/04/2022	35,670	2,705	15,908
BRC	Call - OTC 2-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.410	02/02/2023	241,600	1,208	9
	Put - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.197	11/04/2022	18,730	1,398	8,353
CBK	Call - OTC 2-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.720	02/23/2023	416,800	2,292	46
DUB	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.237	11/17/2023	32,700	2,030	6,638
GLM	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.200	04/26/2023	112,600	1,202	230
JPM	Call - OTC 2-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.710	01/25/2023	443,700	2,707	25
MYC	Call - OTC 2-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	1.428	01/31/2023	250,800	1,281	9
	Put - OTC 30-Year Interest Rate Swap	6-Month EUR-EURIBOR	Receive	0.190	11/02/2022	31,090	2,267	13,910
NGF	Call - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.200	05/31/2023	318,800	3,826	864
	Put - OTC 30-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.285	11/13/2023	67,300	4,227	13,170
Total Purchased Options							**$ 25,169**	**$ 74,380**

WRITTEN OPTIONS:

CREDIT DEFAULT SWAPTIONS ON CREDIT INDICES

Counterparty	Description	Buy/Sell Protection	Exercise Rate	Expiration Date	Notional Amount(1)	Premiums (Received)	Market Value
BPS	Put - OTC iTraxx Europe 37 5-Year Index	Sell	1.900%	11/16/2022	5,400	$ (6)	$ (5)
BRC	Put - OTC iTraxx Europe 37 5-Year Index	Sell	1.900	11/16/2022	5,600	(7)	(6)
	Put - OTC iTraxx Europe 37 5-Year Index	Sell	2.000	12/21/2022	6,600	(17)	(12)
DUB	Put - OTC CDX.IG-38 5-Year Index	Sell	1.350	12/21/2022	10,300	(13)	(24)
	Put - OTC CDX.IG-38 5-Year Index	Sell	1.400	12/21/2022	15,800	(23)	(33)
GST	Put - OTC CDX.IG-38 5-Year Index	Sell	1.600	10/19/2022	14,600	(22)	(1)
	Put - OTC CDX.IG-38 5-Year Index	Sell	1.400	11/16/2022	28,000	(32)	(28)
	Put - OTC CDX.IG-38 5-Year Index	Sell	1.500	12/21/2022	27,400	(42)	(45)
	Put - OTC iTraxx Europe 37 5-Year Index	Sell	3.000	03/15/2023	12,400	(22)	(13)
JPM	Put - OTC CDX.IG-38 5-Year Index	Sell	1.350	11/16/2022	14,200	(17)	(17)
	Put - OTC iTraxx Europe 37 5-Year Index	Sell	1.900	11/16/2022	5,600	(5)	(5)
MYC	Put - OTC CDX.IG-38 5-Year Index	Sell	1.600	12/21/2022	6,900	(10)	(9)
						$ (216)	$ (198)

INFLATION-CAPPED OPTIONS

Counterparty	Description	Initial Index	Floating Rate	Expiration Date	Notional Amount(1)	Premiums (Received)	Market Value
GLM	Cap - OTC CPALEMU	100.151	Maximum of [(Final Index/Initial Index - 1) - 3.000%] or 0	06/22/2035	46,100	$ (2,097)	$ (735)

Counterparty	Description	Initial Index	Floating Rate	Expiration Date	Notional Amount[(1)]	Premiums (Received)	Market Value
JPM	Cap - OTC CPURNSA	233.916	Maximum of [(Final Index/Initial Index - 1) - 4.000%] or 0	04/22/2024	182,300	$ (1,326)	$ (2)
	Cap - OTC CPURNSA	234.781	Maximum of [(Final Index/Initial Index - 1) - 4.000%] or 0	05/16/2024	27,400	(191)	0
						$ (3,614)	$ (737)

INTEREST RATE SWAPTIONS

Counterparty	Description	Floating Rate Index	Pay/ Receive Floating Rate	Exercise Rate	Expiration Date	Notional Amount[(1)]	Premiums (Received)	Market Value
BPS	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.000%	11/02/2022	101,780	$ 0	$ (26,721)
	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.000	11/04/2022	106,320	(2,630)	(27,928)
BRC	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.558	02/02/2023	52,800	(1,208)	(14)
	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.000	11/04/2022	56,780	(1,391)	(14,915)
CBK	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.736	02/23/2023	92,300	(2,284)	(59)
DUB	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.340	11/17/2023	161,100	(2,030)	(11,524)
GLM	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.350	04/26/2023	62,000	(1,224)	(310)
JPM	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.785	01/25/2023	98,600	(2,727)	(39)
MYC	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	1.579	01/31/2023	54,800	(1,281)	(14)
	Put - OTC 10-Year Interest Rate Swap	6-Month EUR-EURIBOR	Pay	0.000	11/02/2022	92,900	(2,254)	(24,389)
NGF	Put - OTC 5-Year Interest Rate Swap	3-Month USD-LIBOR	Pay	2.300	11/13/2023	328,400	(4,335)	(24,008)
	Call - OTC 10-Year Interest Rate Swap	3-Month USD-LIBOR	Receive	2.350	05/31/2023	176,000	(3,838)	(1,108)
							$ (25,202)	$ (131,029)

OPTIONS ON SECURITIES

Counterparty	Description	Strike Price	Expiration Date	Notional Amount[(1)]	Premiums (Received)	Market Value
JPM	Put - OTC Uniform Mortgage-Backed Security, TBA 4.500% due 11/01/2052	$ 99.406	11/07/2022	5,600	$ (44)	$ (244)
Total Written Options					**$ (29,076)**	**$ (132,208)**

SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION[(2)]

Counterparty	Index/Tranches	Fixed Receive Rate	Payment Frequency	Maturity Date	Notional Amount[(3)]	Premiums Paid/ (Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value[(4)] Asset	Swap Agreements, at Value[(4)] Liability
SAL	CMBX.NA.AAA.12 Index	0.500%	Monthly	08/17/2061	$ 12,300	$ (26)	$ (161)	$ 0	$ (187)

TOTAL RETURN SWAPS ON SECURITIES

Counterparty	Pay/ Receive[5]	Underlying Reference	# of Shares	Financing Rate	Payment Frequency	Maturity Date	Notional Amount	Premiums Paid/ (Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value Asset	Swap Agreements, at Value Liability
BPS	Receive	United States Treasury Inflation Indexed Bonds	0	2.620%	Maturity	10/14/2022	$ 150,000	$ 0	$ (1,799)	$ 0	$ (1,799)
GLM	Receive	United States Treasury Inflation Indexed Bonds	0	2.700%	Maturity	10/06/2022	72,200	0	(3,355)	0	(3,355)
MYC	Receive	United States Treasury Inflation Indexed Bonds	0	3.020%	Maturity	10/06/2022	250,000	0	(6,784)	192	(6,976)
	Receive	United States Treasury Inflation Indexed Bonds	0	3.040%	Maturity	10/20/2022	974,000	0	(40,645)	0	(40,645)
	Receive	United States Treasury Inflation Indexed Bonds	0	3.030%	Maturity	01/20/2023	439,000	0	(27,211)	0	(27,211)
								$ 0	$ (79,794)	$ 192	$ (79,986)
Total Swap Agreements								**$ (26)**	**$ (79,955)**	**$ 192**	**$ (80,173)**

FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of September 30, 2022:

	Financial Derivative Assets				Financial Derivative Liabilities						
Counterparty	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter	Net Market Value of OTC Derivatives	Collateral Pledged/ (Received)	Net Exposure[6]
BOA	$ 4,068	$ 0	$ 0	$ 4,068	$ (1,019)	$ 0	$ 0	$ (1,019)	$ 3,049	$ (3,490)	$ (441)
BPS	2,187	31,126	0	33,313	(1,756)	(54,654)	(1,799)	(58,209)	(24,896)	26,548	1,652
BRC	0	8,362	0	8,362	0	(14,947)	0	(14,947)	(6,585)	6,697	112
CBK	9,678	46	0	9,724	(535)	(59)	0	(594)	9,130	(10,401)	(1,271)
DUB	0	6,638	0	6,638	0	(11,581)	0	(11,581)	(4,943)	4,957	14
GLM	5,317	230	0	5,547	(41)	(1,045)	(3,355)	(4,441)	1,106	(3,450)	(2,344)
GST	0	0	0	0	0	(87)	0	(87)	(87)	6	(81)
JPM	928	25	0	953	(759)	(307)	0	(1,066)	(113)	198	85
MBC	749	0	0	749	(639)	0	0	(639)	110	99	209
MYC	0	13,919	192	14,111	0	(24,412)	(74,832)	(99,244)	(85,133)	80,956	(4,177)
MYI	6,898	0	0	6,898	(5,509)	0	0	(5,509)	1,389	(1,297)	92
NGF	0	14,034	0	14,034	0	(25,116)	0	(25,116)	(11,082)	10,357	(725)
RBC	121	0	0	121	0	0	0	0	121	0	121
SAL	0	0	0	0	0	0	(187)	(187)	(187)	69	(118)
SCX	102	0	0	102	(1,596)	0	0	(1,596)	(1,494)	0	(1,494)
SOG	13,521	0	0	13,521	(9,913)	0	0	(9,913)	3,608	(3,760)	(152)
TOR	4,067	0	0	4,067	(590)	0	0	(590)	3,477	(3,517)	(40)
UAG	8,518	0	0	8,518	(445)	0	0	(445)	8,073	(9,670)	(1,597)
Total Over the Counter	**$ 56,154**	**$ 74,380**	**$ 192**	**$ 130,726**	**$ (22,802)**	**$ (132,208)**	**$ (80,173)**	**$ (235,183)**			

(l) Securities with an aggregate market value of $129,888 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of September 30, 2022.

(1) Notional Amount represents the number of contracts.
(2) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.
(3) The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(4) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the underlying referenced instrument's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(5) Receive represents that the Fund receives payments for any positive net return on the underlying reference. The Fund makes payments for any negative net return on such underlying reference. Pay represents that the Fund receives payments for any negative net return on the underlying reference. The Fund makes payments for any positive net return on such underlying reference.

(6) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information.

FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure. See Note 7, Principal and Other Risks, in the Notes to Financial Statements on risks of the Fund.

Fair Values of Financial Derivative Instruments on the Statement of Assets and Liabilities as of September 30, 2022:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Financial Derivative Instruments - Assets						
Exchange-traded or centrally cleared						
Futures	$ 0	$ 0	$ 0	$ 0	$ 12,610	$ 12,610
Swap Agreements	0	1	0	0	7,420	7,421
	$ 0	$ 1	$ 0	$ 0	$ 20,030	$ 20,031
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 56,154	$ 0	$ 56,154
Purchased Options	0	0	0	0	74,380	74,380
Swap Agreements	0	0	0	0	192	192
	$ 0	$ 0	$ 0	$ 56,154	$ 74,572	$ 130,726
	$ 0	$ 1	$ 0	$ 56,154	$ 94,602	$ 150,757
Financial Derivative Instruments - Liabilities						
Exchange-traded or centrally cleared						
Futures	$ 167	$ 0	$ 0	$ 0	$ 14,897	$ 15,064
Swap Agreements	0	0	0	0	9,217	9,217
	$ 167	$ 0	$ 0	$ 0	$ 24,114	$ 24,281
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 22,802	$ 0	$ 22,802
Written Options	0	198	0	0	132,010	132,208
Swap Agreements	0	187	0	0	79,986	80,173
	$ 0	$ 385	$ 0	$ 22,802	$ 211,996	$ 235,183
	$ 167	$ 385	$ 0	$ 22,802	$ 236,110	$ 259,464

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended September 30, 2022:

	Derivatives not accounted for as hedging instruments					
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	Total
Net Realized Gain (Loss) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Futures	$ 10,102	$ 0	$ 0	$ 0	$ 241,540	$ 251,642
Swap Agreements	0	130	0	0	5,139	5,269
	$ 10,102	$ 130	$ 0	$ 0	$ 246,679	$ 256,911
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ 223,779	$ 0	$ 223,779
Written Options	0	1,296	0	0	1,643	2,939
Swap Agreements	0	31	0	0	(23,498)	(23,467)
	$ 0	$ 1,327	$ 0	$ 223,779	$ (21,855)	$ 203,251
	$ 10,102	$ 1,457	$ 0	$ 223,779	$ 224,824	$ 460,162
Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments						
Exchange-traded or centrally cleared						
Futures	$ 2,334	$ 0	$ 0	$ 0	$ (7,481)	$ (5,147)
Swap Agreements	0	(53)	0	0	(1,198)	(1,251)
	$ 2,334	$ (53)	$ 0	$ 0	$ (8,679)	$ (6,398)
Over the counter						
Forward Foreign Currency Contracts	$ 0	$ 0	$ 0	$ (24,043)	$ 0	$ (24,043)
Purchased Options	0	0	0	0	27,771	27,771
Written Options	0	(580)	0	0	(53,018)	(53,598)
Swap Agreements	0	(212)	0	0	(76,631)	(76,843)
	$ 0	$ (792)	$ 0	$ (24,043)	$ (101,878)	$ (126,713)
	$ 2,334	$ (845)	$ 0	$ (24,043)	$ (110,557)	$ (133,111)

FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of September 30, 2022 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 09/30/2022
Investments in Securities, at Value				
Corporate Bonds & Notes				
Banking & Finance	$ 0	$ 422,431	$ 0	$ 422,431
Industrials	0	3,597	0	3,597
Utilities	0	288	0	288
U.S. Government Agencies	0	411,388	0	411,388
U.S. Treasury Obligations	0	8,559,333	0	8,559,333
Non-Agency Mortgage-Backed Securities	0	174,939	13,216	188,155
Asset-Backed Securities	0	953,399	39,967	993,366
Sovereign Issues	0	841,218	0	841,218
Preferred Securities				
Banking & Finance	0	6,376	0	6,376
Utilities	0	0	51,007	51,007
Short-Term Instruments				
U.S. Treasury Bills	0	2,413	0	2,413
	$ 0	$ 11,375,382	$ 104,190	$ 11,479,572

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 09/30/2022
Investments in Affiliates, at Value				
Short-Term Instruments				
Central Funds Used for Cash Management Purposes	$ 923	$ 0	$ 0	$ 923
Total Investments	$ 923	$ 11,375,382	$ 104,190	$ 11,480,495
Financial Derivative Instruments - Assets				
Exchange-traded or centrally cleared	5,038	14,993	0	20,031
Over the counter	0	130,726	0	130,726
	$ 5,038	$ 145,719	$ 0	$ 150,757
Financial Derivative Instruments - Liabilities				
Exchange-traded or centrally cleared	(9,489)	(14,792)	0	(24,281)
Over the counter	0	(235,183)	0	(235,183)
	$ (9,489)	$ (249,975)	$ 0	$ (259,464)
Total Financial Derivative Instruments	$ (4,451)	$ (104,256)	$ 0	$ (108,707)
Totals	$ (3,528)	$ 11,271,126	$ 104,190	$ 11,371,788

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Fund during the period ended September 30, 2022:

Category and Subcategory	Beginning Balance at 03/31/2022	Net Purchases	Net Sales/ Settlements	Accrued Discounts/ (Premiums)	Realized Gain/ (Loss)	Net Change in Unrealized Appreciation/ (Depreciation)[1]	Transfers into Level 3	Transfers out of Level 3	Ending Balance at 09/30/2022	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 09/30/2022 [1]
Investments in Securities, at Value										
Non-Agency Mortgage-Backed Securities	$ 1	$ 13,206	$ (8)	$ 0	$ 1	$ 16	$ 0	$ 0	$ 13,216	$ 16
Asset-Backed Securities	6,841	40,943	0	0	0	(1,878)	0	(5,939)	39,967	(976)
Preferred Securities										
Utilities	52,209	0	0	0	0	(1,202)	0	0	51,007	(1,201)
	$ 59,051	$ 54,149	$ (8)	$ 0	$ 1	$ (3,064)	$ 0	$ (5,939)	$ 104,190	$ (2,161)
Financial Derivative Instruments - Liabilities										
Over the counter	$ (195)	$ 0	$ 0	$ 0	$ 0	$ 195	$ 0	$ 0	$ 0	$ 0
Totals	$ 58,856	$ 54,149	$ (8)	$ 0	$ 1	$ (2,869)	$ 0	$ (5,939)	$ 104,190	$ (2,161)

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

				(% Unless Noted Otherwise)	
Category and Subcategory	Ending Balance at 09/30/2022	Valuation Technique	Unobservable Inputs	Input Value(s)	Weighted Average
Investments in Securities, at Value					
Non-Agency Mortgage-Backed Securities	$ 13,216	Proxy Pricing	Base Price	100.022	—
Asset-Backed Securities	39,967	Proxy Pricing	Base Price	99.800	—
Preferred Securities					
Utilities	51,007	Discounted Cash Flow	Discount Rate	5.800	—
Total	$ 104,190				

(1) Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at September 30, 2022 may be due to an investment no longer held or categorized as Level 3 at period end.

1. ORGANIZATION

PIMCO Funds (the "Trust") is a Massachusetts business trust established under a Declaration of Trust dated February 19, 1987, as amended and restated November 4, 2014. The Trust is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. Information presented in these financial statements pertains to the Institutional Class, I-2, I-3, Administrative Class, Class A, Class C and Class R shares of the PIMCO Real Return Fund (the "Fund") offered by the Trust. Pacific Investment Management Company LLC ("PIMCO") serves as the investment adviser (the "Adviser") for the Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Trust in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Fund is treated as an investment company under the reporting requirements of U.S. GAAP. The functional and reporting currency for the Fund is the U.S. dollar. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

(a) Securities Transactions and Investment Income Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date. Realized gains (losses) from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Fund is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date. For convertible securities, premiums attributable to the conversion feature are not amortized. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized appreciation (depreciation) on investments on the Statement of Operations, as appropriate. Tax liabilities realized as a result of such security sales are reflected as a component of net realized gain (loss) on investments on the Statement of Operations. Paydown gains (losses) on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income on the Statement of Operations. Income or short-term capital gain distributions received from registered investment companies, if any, are recorded as dividend income. Long-term capital gain distributions received from registered investment companies, if any, are recorded as realized gains.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

(b) Foreign Currency Translation The market values of foreign securities, currency holdings and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the current exchange rates each business day. Purchases and sales of securities and income and expense items denominated in foreign currencies, if any, are translated into U.S. dollars at the exchange rate in effect on the transaction date. The Fund does not separately report the effects of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized gain (loss) and net change in unrealized appreciation (depreciation) from investments on the Statement of Operations. The Fund may invest in foreign currency-denominated securities and may engage in foreign currency transactions either on a spot (cash) basis at the rate prevailing in the currency exchange market at the time or through a forward foreign currency contract. Realized foreign exchange gains (losses) arising from sales of spot foreign currencies, currency gains (losses) realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid are included in net realized gain (loss) on foreign currency transactions on the Statement of Operations. Net unrealized foreign exchange gains (losses) arising from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period are included in net change in unrealized appreciation (depreciation) on foreign currency assets and liabilities on the Statement of Operations.

(c) Multi-Class Operations Each class offered by the Trust has equal rights as to assets and voting privileges (except that shareholders of a class have exclusive voting rights regarding any matter relating solely to that class of shares). Income and non-class specific expenses are allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains (losses) are allocated daily based on the relative net assets of each class of the Fund. Class specific expenses, where applicable, currently include supervisory and administrative and distribution and servicing fees. Under certain circumstances, the per share net asset value ("NAV") of a class of the Fund's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

(d) Distributions to Shareholders Distributions from net investment income, if any, are declared daily and distributed to shareholders monthly. Net realized capital gains earned by the Fund, if any, will be distributed no less frequently than once each year.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on the Fund's annual financial statements presented under U.S. GAAP.

Separately, if the Fund determines or estimates, as applicable, that a portion of a distribution may be comprised of amounts from sources other than net investment income in accordance with its policies, accounting records (if applicable), and accounting practices, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the

Fund determines or estimates, as applicable, the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is determined or estimated, as applicable, that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Fund's daily internal accounting records and practices, the Fund's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. For instance, the Fund's internal accounting records and practices may take into account, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include but are not limited to, for certain Funds, the treatment of periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Fund may not issue a Section 19 Notice in situations where the Fund's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please visit www.pimco.com for the most recent Section 19 Notice, if applicable, for additional information regarding the estimated composition of distributions. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

Distributions classified as a tax basis return of capital at the Fund's fiscal year end, if any, are reflected on the Statements of Changes in Net Assets and have been recorded to paid in capital on the Statement of Assets and Liabilities. In addition, other amounts have been reclassified between distributable earnings (accumulated loss) and paid in capital on the Statement of Assets and Liabilities to more appropriately conform U.S. GAAP to tax characterizations of distributions.

(e) New Accounting Pronouncements and Regulatory Updates In March 2020, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU"), ASU 2020-04, which provides optional guidance to ease the potential accounting burden associated with transitioning away from the London Interbank Offered Rate and other reference rates that are expected to be discontinued. ASU 2020-04 is effective for certain reference rate-related contract modifications that occur during the period March 12, 2020 through December 31, 2022. In March 2021, the administrator for LIBOR announced the extension of the publication of a majority of the USD LIBOR settings to June 30, 2023. Management is continuously evaluating the potential effect a discontinuation of LIBOR could have on the Fund's investments and has determined that it is unlikely the ASU's adoption will have a material impact on the Fund's financial statements.

In October 2020, the U.S. Securities and Exchange Commission ("SEC") adopted a rule related to the use of derivatives, short sales, reverse repurchase agreements and certain other transactions by registered investment companies that rescinds and withdraws the guidance of the SEC and its staff regarding asset segregation and cover transactions that was applicable to the Fund as of the date of this report. Subject to certain exceptions, the rule requires funds that trade derivatives and other transactions that create future payment or delivery obligations to comply with a value-at-risk leverage limit and certain derivatives risk management program and reporting requirements. The rule went into effect on February 19, 2021. The compliance date for the new rule and the related reporting requirements was August 19, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Fund's financial statements.

In October 2020, the SEC adopted a rule regarding the ability of a fund to invest in other funds. The rule allows a fund to acquire shares of another fund in excess of certain limitations currently imposed by the Act without obtaining individual exemptive relief from the SEC, subject to certain conditions. The rule also includes the rescission of certain exemptive relief from the SEC and guidance from the SEC staff for funds to invest in other funds. The effective date for the rule was January 19, 2021, and the compliance date for the rule was January 19, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Fund's financial statements.

In December 2020, the SEC adopted a rule addressing fair valuation of fund investments. The new rule sets forth requirements for good faith determinations of fair value as well as for the performance of fair value determinations, including related oversight and reporting obligations. The new rule also defines "readily available market quotations" for purposes of the definition of "value" under the Act, and the SEC noted that this definition would apply in all contexts under the Act. The effective date for the rule was March 8, 2021. The compliance date for the new rule and the related reporting requirements was September 8, 2022. Management has implemented changes in connection with the rule and has determined that there is no material impact to the Fund's financial statements.

In June 2022, the FASB issued ASU 2022-03, Fair Value Measurement (Topic 820), which affects all entities that have investments in equity securities measured at fair value that are subject to a contractual sale restriction. The amendments in ASU 2022-03 clarify that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring the fair value. The amendments also require additional disclosures for equity securities subject to contractual sale restrictions that are measured at fair value in accordance with Topic 820. The effective date for the amendments in ASU 2022-03 are for fiscal years beginning after December 15, 2023 and interim periods within those fiscal years. At this time, management is evaluating the implications of these changes on the financial statements.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

(a) Investment Valuation Policies The price of the Fund's shares is based on the Fund's NAV. The NAV of the Fund, or each of its share classes, as applicable, is determined by dividing the total value of portfolio investments and other assets attributable to the Fund or class, less any liabilities, by the total number of shares outstanding of the Fund or class.

On each day that the New York Stock Exchange ("NYSE") is open, Fund shares are ordinarily valued as of the close of regular trading (normally 4:00 p.m., Eastern time) ("NYSE Close"). Information that becomes known to the Fund or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. If regular trading on the NYSE closes earlier than scheduled, the Fund reserves the right to either (i) calculate its NAV as of the earlier closing time or (ii) calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day. The Fund generally does not calculate its NAV on days during which the NYSE is closed. However, if the NYSE is closed on a day it would normally be open for business, the Fund reserves the right to calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day or such other time that the Fund may determine.

For purposes of calculating NAV, portfolio securities and other assets for which market quotations are readily available are valued at market value. A market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the Fund can access at the measurement date, provided that a quotation will not be readily available if it is not reliable. Market value is generally determined on the basis of official closing prices or the last reported sales prices. The Fund will normally use pricing data for domestic equity securities received shortly after the NYSE Close and does not normally take into account trading, clearances or settlements that take place after the NYSE Close. A foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by PIMCO to be the primary exchange. If market value pricing is used, a foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith pursuant to Rule 2a-5 under the 1940 Act. As a general principle, the fair value of a security or other asset is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Pursuant to Rule 2a-5, the Board of Trustees has designated PIMCO as the valuation designee ("Valuation Designee") for the Fund to perform the fair value determination relating to all Fund investments. PIMCO may carry out its designated responsibilities as Valuation Designee through various teams and committees. The Valuation Designee's policies and procedures govern the Valuation Designee's selection and application of methodologies for determining and calculating the fair value of Fund investments. The Valuation Designee may value Fund portfolio securities for which market quotations are not readily available and other Fund assets utilizing inputs from pricing services, quotation reporting systems, valuation agents and other third-party sources (together, "Pricing Sources").

Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Sources using data reflecting the earlier closing of the principal markets for those securities. Prices obtained from Pricing Sources may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by Pricing Sources. The Fund's investments in open-end management investment companies, other than exchange-traded funds ("ETFs"), are valued at the NAVs of such investments. Open-end management investment companies may include affiliated funds.

If a foreign (non-U.S.) equity security's value has materially changed after the close of the security's primary exchange or principal market but before the NYSE Close, the security may be valued at fair value. Foreign (non-U.S.) equity securities that do not trade when the NYSE is open are also valued at fair value. With respect to foreign (non-U.S.) equity securities, the Fund may determine the fair value of investments based on information provided by Pricing Sources, which may recommend fair value or adjustments with reference to other securities, indexes or assets. In considering whether fair valuation is required and in determining fair values, the Valuation Designee may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the NYSE Close. The Fund may utilize modeling tools provided by third-party vendors to determine fair values of foreign (non-U.S.) securities. For these purposes, unless otherwise determined by the Valuation Designee, any movement in the applicable reference index or instrument ("zero trigger") between the earlier close of the applicable foreign market and the NYSE Close may be deemed to be a significant event, prompting the application of the pricing model (effectively resulting in daily fair valuations). Foreign exchanges may permit trading in foreign (non-U.S.) equity securities on days when the Trust is not open for business, which may result in the Fund's portfolio investments being affected when shareholders are unable to buy or sell shares.

Investments valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from Pricing Sources. As a result, the value of such investments and, in turn, the NAV of the Fund's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Trust is not open for business. As a result, to the extent that the Fund holds foreign (non-U.S.) investments, the value of those investments may change at times when shareholders are unable to buy or sell shares and the value of such investments will be reflected in the Fund's next calculated NAV.

Fair valuation may require subjective determinations about the value of a security. While the Trust's and Valuation Designee's policies and procedures are intended to result in a calculation of the Fund's NAV that fairly reflects security values as of the time of pricing, the Trust cannot ensure that fair values accurately reflect the price that the Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Fund may differ from the value that would be realized if the securities were sold. The Fund's use of fair valuation may also help to deter "stale price arbitrage" as discussed under the "Abusive Trading Practices" section in the Fund's prospectus.

Under certain circumstances, the per share NAV of a class of the Fund's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

(b) Fair Value Hierarchy U.S. GAAP describes fair value as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices (unadjusted) in active markets or exchanges for identical assets and liabilities.
- Level 2 — Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.
- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Valuation Designee that are used in determining the fair value of investments.

Assets or liabilities categorized as Level 2 or 3 as of period end have been transferred between Levels 2 and 3 since the prior period due to changes in the method utilized in valuing the investments. Transfers from Level 3 to Level 2 are a result of the availability of current and reliable market-based data provided by Pricing Sources or other valuation techniques which utilize significant observable inputs. In accordance with the requirements of U.S. GAAP, the amounts of transfers into and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments for the Fund.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers into and out of the Level 3 category during the period. The end of period value is used for the transfers between Levels of the Fund’s assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for the Fund.

(c) Valuation Techniques and the Fair Value Hierarchy

Level 1, Level 2 and Level 3 trading assets and trading liabilities, at fair value The valuation methods (or “techniques”) and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1, Level 2 and Level 3 of the fair value hierarchy are as follows:

Common stocks, ETFs, exchange-traded notes and financial derivative instruments, such as futures contracts, rights and warrants, or options on futures that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Investments in registered open-end investment companies (other than ETFs) will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment companies will be calculated based upon the NAVs of such investments and are considered Level 1 provided that the NAVs are observable, calculated daily and are the value at which both purchases and sales will be conducted.

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Sources that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Sources' internal models use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis or as a repurchase commitment in a sale-buyback transaction are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by Pricing Sources that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the NYSE Close. These securities are valued using Pricing Sources that consider the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments. Securities using these valuation adjustments are categorized as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorized as Level 2 of the fair value hierarchy.

Valuation adjustments may be applied to certain exchange traded futures and options to account for market movement between the exchange settlement and the NYSE close. These securities are valued using quotes obtained from a quotation reporting system, established market makers or pricing services. Financial derivatives using these valuation adjustments are categorized as Level 2 of the fair value hierarchy.

Equity exchange-traded options and over the counter financial derivative instruments, such as forward foreign currency contracts and options contracts derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of quotes obtained from a quotation reporting system, established market makers or Pricing Sources (normally determined as of the NYSE Close). Depending on the product and the terms of the transaction, financial derivative instruments can be valued by Pricing Sources using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as quoted prices, issuer details, indices, bid/ask spreads, interest rates, implied volatilities, yield curves, dividends and exchange rates. Financial derivative instruments that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by Pricing Sources (normally determined as of the NYSE Close). Centrally cleared swaps and over the counter swaps can be valued by Pricing Sources using a series of techniques, including simulation pricing models. The pricing models may use inputs that are observed from actively quoted markets such as the overnight index swap rate, LIBOR forward rate, interest rates, yield curves and credit spreads. These securities are categorized as Level 2 of the fair value hierarchy.

Proxy pricing procedures set the base price of a fixed income security and subsequently adjust the price proportionally to market value changes of a pre-determined security deemed to be comparable in duration, generally a U.S. Treasury or sovereign note based on country of issuance. The base price may be a broker-dealer quote, transaction price, or an internal value as derived by analysis of market data. The base price of the security may be reset on a periodic basis based on the availability of market data and procedures approved by the Valuation Oversight Committee. Significant changes in the unobservable inputs of the proxy pricing process (the base price) would result in direct and proportional changes in the fair value of the security. These securities are categorized as Level 3 of the fair value hierarchy.

The Discounted Cash Flow model is based on future cash flows generated by the investment and may be normalized based on expected investment performance. Future cash flows are discounted to present value using an appropriate rate of return, typically calibrated to the initial transaction date and adjusted based on Capital Asset Pricing Model and/or other market-based inputs. Significant changes in the unobservable inputs would result in direct and proportional changes in the fair value of the security. These securities are categorized as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. These securities are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

When a fair valuation method is applied by the Adviser that uses significant unobservable inputs, investments will be priced by a method that the Valuation Designee believes reflects fair value and are categorized as Level 3 of the fair value hierarchy.

4. SECURITIES AND OTHER INVESTMENTS

(a) Investments in Affiliates

The Fund may invest in the PIMCO Short Asset Portfolio and the PIMCO Short-Term Floating NAV Portfolio III ("Central Funds") to the extent permitted by the Act and rules thereunder. The Central

Funds are registered investment companies created for use solely by the series of the Trust and other series of registered investment companies advised by the Adviser, in connection with their cash management activities. The main investments of the Central Funds are money market and short maturity fixed income instruments. The Central Funds may incur expenses related to their investment activities, but do not pay Investment Advisory Fees or Supervisory and Administrative Fees to the Adviser. The Central Funds are considered to be affiliated with the Fund. A complete schedule of portfolio holdings for each affiliate fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available at the SEC's website at www.sec.gov. A copy of each affiliate fund's shareholder report is also available at the SEC's website at www.sec.gov, on the Funds' website at www.pimco.com, or upon request, as applicable. The table below shows the Fund's transactions in and earnings from investments in the affiliated Fund for the period ended September 30, 2022 (amounts in thousands†):

Investment in PIMCO Short-Term Floating NAV Portfolio III

Market Value 03/31/2022	Purchases at Cost	Proceeds from Sales	Net Realized Gain (Loss)	Change in Unrealized Appreciation (Depreciation)	Market Value 09/30/2022	Dividend Income[(1)]	Realized Net Capital Gain Distributions[(1)]
$ 8,940	$ 2,040,800	$ (2,048,700)	$ (117)	$ 0	$ 923	$ 200	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

(1) The tax characterization of distributions is determined in accordance with Federal income tax regulations and may contain a return of capital. The actual tax characterization of distributions received is determined at the end of the fiscal year of the affiliated fund. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

(b) Investments in Securities

The Fund may utilize the investments and strategies described below to the extent permitted by the Fund's investment policies.

Delayed-Delivery Transactions involve a commitment by the Fund to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery transactions are outstanding, the Fund will designate or receive as collateral liquid assets in an amount sufficient to meet the purchase price or respective obligations. When purchasing a security on a delayed-delivery basis, the Fund assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations, and takes such fluctuations into account when determining its NAV. The Fund may dispose of or renegotiate a delayed-delivery transaction after it is entered into, which may result in a realized gain (loss). When the Fund has sold a security on a delayed-delivery basis, the Fund does not participate in future gains (losses) with respect to the security.

Inflation-Indexed Bonds are fixed income securities whose principal value is periodically adjusted by the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury Inflation-Protected

Securities. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

Mortgage-Related and Other Asset-Backed Securities directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage-related securities is guaranteed with the full faith and credit of the U.S. Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage-related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage-related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including, but not limited to, auto loans, accounts receivable, such as credit card receivables and hospital account receivables, home equity loans, student loans, boat loans, mobile home loans, recreational vehicle loans, manufactured housing loans, aircraft leases, computer leases and syndicated bank loans.

Collateralized Debt Obligations ("CDOs") include Collateralized Bond Obligations ("CBOs"), Collateralized Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Fund invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Fund's prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) the risk that the Fund may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

Collateralized Mortgage Obligations ("CMOs") are debt obligations of a legal entity that are collateralized by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as “tranches”, with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage-related or asset-backed securities.

Perpetual Bonds are fixed income securities with no maturity date but pay a coupon in perpetuity (with no specified ending or maturity date). Unlike typical fixed income securities, there is no obligation for perpetual bonds to repay principal. The coupon payments, however, are mandatory. While perpetual bonds have no maturity date, they may have a callable date in which the perpetuity is eliminated and the issuer may return the principal received on the specified call date. Additionally, a perpetual bond may have additional features, such as interest rate increases at periodic dates or an increase as of a predetermined point in the future.

Restricted Investments are subject to legal or contractual restrictions on resale and may generally be sold privately, but may be required to be registered or exempted from such registration before being sold to the public. Private placement securities are generally considered to be restricted except for those securities traded between qualified institutional investors under the provisions of Rule 144A of the Securities Act of 1933. Disposal of restricted investments may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult to achieve. Restricted investments held by the Fund as of September 30, 2022, as applicable, are disclosed in the Notes to Schedule of Investments.

Securities Issued by U.S. Government Agencies or Government-Sponsored Enterprises are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association, are supported by the full faith and credit of the U.S. Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the “U.S. Treasury”); and others, such as those of the Federal National Mortgage Association (“FNMA” or “Fannie Mae”), are supported by the discretionary authority of the U.S. Government to purchase the agency’s obligations. U.S. Government securities may include zero coupon securities which do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities of similar maturities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation (“FHLMC” or “Freddie Mac”). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation Certificates (“PCs”), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

In June 2019, FNMA and FHLMC started issuing Uniform Mortgage Backed Securities in place of their current offerings of TBA-eligible securities (the "Single Security Initiative"). The Single Security Initiative seeks to support the overall liquidity of the TBA market and aligns the characteristics of FNMA and FHLMC certificates. The effects that the Single Security Initiative may have on the market for TBA and other mortgage-backed securities are uncertain.

Roll-timing strategies can be used where the Fund seeks to extend the expiration or maturity of a position, such as a TBA security on an underlying asset, by closing out the position before expiration and opening a new position with respect to substantially the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively. Recently finalized FINRA rules include mandatory margin requirements for the TBA market that requires the Fund to post collateral in connection with its TBA transactions. There is no similar requirement applicable to the Fund's TBA counterparties. The required collateralization of TBA trades could increase the cost of TBA transactions to the Fund and impose added operational complexity.

When-Issued Transactions are purchases or sales made on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. Transactions to purchase or sell securities on a when-issued basis involve a commitment by the Fund to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. The Fund may sell when-issued securities before they are delivered, which may result in a realized gain (loss).

5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The Fund may enter into the borrowings and other financing transactions described below to the extent permitted by the Fund's investment policies.

The following disclosures contain information on the Fund's ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by the Fund. The location of these instruments in the Fund's financial statements is described below.

(a) Reverse Repurchase Agreements In a reverse repurchase agreement, the Fund delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. In an open maturity reverse repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Fund or counterparty at any time. The Fund is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Fund to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by the Fund to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Fund may receive a fee for use of the security by the counterparty, which may result in interest income to the Fund. The Fund will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under reverse repurchase agreements.

(b) Sale-Buybacks A sale-buyback financing transaction consists of a sale of a security by the Fund to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed-upon price and date. The Fund is not entitled to receive principal and interest payments, if any, made on the security sold to the counterparty during the term of the agreement. The agreed-upon proceeds for securities to be repurchased by the Fund are reflected as a liability on the Statement of Assets and Liabilities. The Fund will recognize net income represented by the price differential between the price received for the transferred security and the agreed- upon repurchase price. This is commonly referred to as the 'price drop.' A price drop consists of (i) the foregone interest and inflationary income adjustments, if any, the Fund would have otherwise received had the security not been sold and (ii) the negotiated financing terms between the Fund and counterparty. Foregone interest and inflationary income adjustments, if any, are recorded as components of interest income on the Statement of Operations. Interest payments based upon negotiated financing terms made by the Fund to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Fund may receive a fee for use of the security by the counterparty, which may result in interest income to the Fund. The Fund will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under sale-buyback transactions.

(c) Short Sales Short sales are transactions in which the Fund sells a security that it may not own. The Fund may make short sales of securities to (i) offset potential declines in long positions in similar securities, (ii) to increase the flexibility of the Fund, (iii) for investment return, (iv) as part of a risk arbitrage strategy, and (v) as part of its overall portfolio management strategies involving the use of derivative instruments. When the Fund engages in a short sale, it may borrow the security sold short and deliver it to the counterparty. The Fund will ordinarily have to pay a fee or premium to borrow a security and be obligated to repay the lender of the security any dividend or interest that accrues on the security during the period of the loan. Securities sold in short sale transactions and the dividend or interest payable on such securities, if any, are reflected as payable for short sales on the Statement of Assets and Liabilities. Short sales expose the Fund to the risk that it will be required to cover its short position at a time when the security or other asset has appreciated in value, thus resulting in losses to the Fund. A short sale is "against the box" if the Fund holds in its portfolio or has the right to acquire the security sold short, or securities identical to the security sold short, at no additional cost. The Fund will be subject to additional risks to the extent that it engages in short sales that are not "against the box." The Fund's loss on a short sale could theoretically be unlimited in cases where the Fund is unable, for whatever reason, to close out its short position.

(d) Interfund Lending In accordance with an exemptive order (the "Order") from the SEC, each Fund of the Trust may participate in a joint lending and borrowing facility for temporary purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by each Fund's investment policies and restrictions. Each Fund is currently permitted to borrow under the Interfund Lending Program. A lending fund may lend in aggregate up to 15% of its current net assets at the time of the interfund loan, but may not lend more than 5% of its net assets to any one borrowing fund through the Interfund Lending Program. A borrowing fund may not borrow through the Interfund Lending Program or from any other source if its total outstanding borrowings immediately after the borrowing would be more than 33 1/3% of its total assets (or any lower threshold provided for by the fund's investment restrictions). If a borrowing fund's total outstanding borrowings exceed 10% of its total assets, each of its outstanding interfund loans will be subject to collateralization of at least 102% of the outstanding principal value of the loan. All interfund loans are for temporary or emergency purposes and the interfund loan rate to be charged will be the average of the highest current overnight repurchase agreement rate available to a lending fund and the bank loan rate, as calculated according to a formula established by the Board.

During the period ended September 30, 2022, the Fund did not participate in the Interfund Lending Program.

6. FINANCIAL DERIVATIVE INSTRUMENTS

The Fund may enter into the financial derivative instruments described below to the extent permitted by the Fund's investment policies.

The following disclosures contain information on how and why the Fund uses financial derivative instruments, and how financial derivative instruments affect the Fund's financial position, results of operations and cash flows. The location and fair value amounts of these instruments on the Statement of Assets and Liabilities and the net realized gain (loss) and net change in unrealized appreciation (depreciation) on the Statement of Operations, each categorized by type of financial derivative contract and related risk exposure, are included in a table in the Notes to Schedule of Investments. The financial derivative instruments outstanding as of period end and the amounts of net realized gain (loss) and net change in unrealized appreciation (depreciation) on financial derivative instruments during the period, as disclosed in the Notes to Schedule of Investments, serve as indicators of the volume of financial derivative activity for the Fund.

(a) Forward Foreign Currency Contracts may be engaged, in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of the Fund's securities or as part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by the Fund as an unrealized gain (loss). Realized gains (losses) are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealized gain (loss) reflected on the Statement of Assets and Liabilities. In addition, the Fund could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

(b) Futures Contracts are agreements to buy or sell a security or other asset for a set price on a future date and are traded on an exchange. The Fund may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by the Fund and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, the Fund is required to deposit with its futures broker an amount of cash, U.S. Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Fund ("Futures Variation Margin"). Futures Variation Margins, if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Gains (losses) are recognized but not considered realized until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Futures Variation Margin included within exchange traded or centrally cleared financial derivative instruments on the Statement of Assets and Liabilities.

(c) Options Contracts may be written or purchased to enhance returns or to hedge an existing position or future investment. The Fund may write call and put options on securities and financial derivative instruments it owns or in which it may invest. Writing put options tends to increase the Fund's exposure to the underlying instrument. Writing call options tends to decrease the Fund's exposure to the underlying instrument. When the Fund writes a call or put, an amount equal to the premium received is recorded and subsequently marked to market to reflect the current value of the option written. These amounts are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency transaction to determine the realized gain (loss). Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The Fund as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavorable change in the price of the instrument underlying the written option. There is the risk the Fund may not be able to enter into a closing transaction because of an illiquid market.

Purchasing call options tends to increase the Fund's exposure to the underlying instrument. Purchasing put options tends to decrease the Fund's exposure to the underlying instrument. The Fund pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain (loss) when the underlying transaction is executed.

Credit Default Swaptions may be written or purchased to hedge exposure to the credit risk of an investment without making a commitment to the underlying instrument. A credit default swaption is an option to sell or buy credit protection on a specific reference by entering into a pre-defined swap agreement by some specified date in the future.

Inflation-Capped Options may be written or purchased to enhance returns or for hedging opportunities. The purpose of purchasing inflation-capped options is to protect the Fund from inflation erosion above a certain rate on a given notional exposure. A floor can be used to give downside protection to investments in inflation-linked products.

Interest Rate Swaptions may be written or purchased to enter into a pre-defined swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

Options on Securities may be written or purchased to enhance returns or to hedge an existing position or future investment. An option on a security uses a specified security as the underlying instrument for the option contract.

(d) Swap Agreements are bilaterally negotiated agreements between the Fund and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. Swap agreements may be privately negotiated in the over the counter market ("OTC swaps") or may be cleared through a third party, known as a central counterparty or derivatives clearing organization ("Centrally Cleared Swaps"). The Fund may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally Cleared Swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organization. Changes in market value, if any, are reflected as a component of net change in unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Swap Variation Margin"), if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Centrally Cleared and OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realized gain (loss) on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain (loss) on the Statement of Operations. Net periodic payments received or paid by the Fund are included as part of realized gain (loss) on the Statement of Operations.

For purposes of applying certain of the Fund's investment policies and restrictions, swap agreements, like other derivative instruments, may be valued by the Fund at market value, notional value or full exposure value. In the case of a credit default swap, in applying certain of the Fund's investment policies and restrictions, the Fund will value the credit default swap at its notional value or its full exposure value (i.e., the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Fund's other investment policies and restrictions. For example, the Fund may value credit default swaps at full exposure value for purposes of the Fund's credit quality guidelines (if any) because such value in general better reflects the Fund's actual economic exposure during the term of the credit default swap agreement. As a result, the Fund may, at times, have notional exposure to an asset class (before netting) that is greater or lesser than the stated limit or restriction noted in the Fund's prospectus. In this context, both the notional amount and the market value may be positive or negative depending on whether the Fund is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Fund for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into swap agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates or the values of the asset upon which the swap is based.

The Fund's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk may be mitigated by having a master netting arrangement between the Fund and the counterparty and by the posting of collateral to the Fund to cover the Fund's exposure to the counterparty.

To the extent the Fund has a policy to limit the net amount owed to or to be received from a single counterparty under existing swap agreements, such limitation only applies to counterparties to OTC swaps and does not apply to centrally cleared swaps where the counterparty is a central counterparty or derivatives clearing organization.

Credit Default Swap Agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues are entered into to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where the Fund owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Fund will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Fund would effectively add leverage to its portfolio because, in addition to its total net assets, the Fund would be subject to investment exposure on the notional amount of the swap.

If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the

Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. Credit default swaps on credit indices may be used to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues as of period end, if any, are disclosed in the Notes to Schedule of Investments. They serve as an indicator of the current status of payment/performance risk and represent the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Fund as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of period end for which the Fund is the seller of protection are disclosed in the Notes to Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Fund for the same referenced entity or entities.

Interest Rate Swap Agreements may be entered into to help hedge against interest rate risk exposure and to maintain the Fund's ability to generate income at prevailing market rates. The value of the fixed rate bonds that the Fund holds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, the Fund may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Fund with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap," (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor," (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost and at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

Total Return Swap Agreements are entered into to gain or mitigate exposure to the underlying reference asset. Total return swap agreements involve commitments where single or multiple cash flows are exchanged based on the price of an underlying reference asset and on a fixed or variable interest rate. Total return swap agreements may involve commitments to pay interest in exchange for a market-linked return. One counterparty pays out the total return of a specific underlying reference asset, which may include a single security, a basket of securities, or an index, and in return receives a fixed or variable rate. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Fund would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. As the payer, the Fund would owe payments on any net positive total return, and would receive payments in the event of a net negative total return.

7. PRINCIPAL AND OTHER RISKS

(a) Principal Risks

The principal risks of investing in the Fund, which could adversely affect its net asset value, yield and total return, are listed below. Please see "Description of Principal Risks" in the Fund's prospectus for a more detailed description of the risks of investing in the Fund.

Interest Rate Risk is the risk that fixed income securities will decline in value because of an increase in interest rates; a fund with a longer average portfolio duration will be more sensitive to changes in interest rates than a fund with a shorter average portfolio duration.

Call Risk is the risk that an issuer may exercise its right to redeem a fixed income security earlier than expected (a call). Issuers may call outstanding securities prior to their maturity for a number of reasons (e.g., declining interest rates, changes in credit spreads and improvements in the issuer's credit quality). If an issuer calls a security that the Fund has invested in, the Fund may not recoup the full amount of its initial investment and may be forced to reinvest in lower-yielding securities, securities with greater credit risks or securities with other, less favorable features.

Credit Risk is the risk that the Fund could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to meet its financial obligations.

High Yield Risk is the risk that high yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit, call and liquidity risks. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments, and may be more volatile than higher-rated securities of similar maturity.

Market Risk is the risk that the value of securities owned by the Fund may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Issuer Risk is the risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Liquidity Risk is the risk that a particular investment may be difficult to purchase or sell and that the Fund may be unable to sell illiquid investments at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income funds may be higher than normal, causing increased supply in the market due to selling activity.

Derivatives Risk is the risk of investing in derivative instruments (such as futures, swaps and structured securities), including leverage, liquidity, interest rate, market, credit and management risks, and valuation complexity. Changes in the value of a derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and the Fund could lose more than the initial amount invested. The Fund's use of derivatives may result in losses to the Fund, a reduction in the Fund's returns and/or increased volatility. Over-the-counter ("OTC") derivatives are also subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally-cleared derivative transactions might not be available for OTC derivatives. The primary credit risk on derivatives that are exchange-traded or traded through a central clearing counterparty resides with the Fund's clearing broker or the clearinghouse. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact the Fund's ability to invest in derivatives, limit the Fund's ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives and the Fund's performance.

Equity Risk is the risk that the value of equity securities, such as common stocks and preferred securities, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Mortgage-Related and Other Asset-Backed Securities Risk is the risk of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk and credit risk.

Foreign (Non-U.S.) Investment Risk is the risk that investing in foreign (non-U.S.) securities may result in the Fund experiencing more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation, currency blockage, or political changes, diplomatic developments or the imposition of sanctions and other similar measures. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Emerging Markets Risk is the risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

Sovereign Debt Risk is the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from an issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Currency Risk is the risk that foreign (non-U.S.) currencies will change in value relative to the U.S. dollar and affect the Fund's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Leveraging Risk is the risk that certain transactions of the Fund, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, magnifying gains and losses and causing the Fund to be more volatile than if it had not been leveraged. This means that leverage entails a heightened risk of loss.

Management Risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results and that actual or potential conflicts of interest, legislative, regulatory, or tax restrictions, policies or developments may affect the investment techniques available to PIMCO and the individual portfolio managers in connection with managing the Fund and may cause PIMCO to restrict or prohibit participation in certain investments. There is no guarantee that the investment objective of the Fund will be achieved.

Inflation-Indexed Security Risk is the risk that inflation-indexed debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the value of an inflation-indexed security, including TIPS, tends to decrease when real interest rates increase and can increase when real interest rates decrease. Interest payments on inflation-indexed securities are unpredictable and will fluctuate as the principal and interest are adjusted for inflation. There can be no assurance that the inflation index used will accurately measure the real rate of inflation in the prices of goods and services. Any increase in the principal amount of an inflation-indexed debt security will be considered taxable ordinary income, even though the Fund will not receive the principal until maturity.

Short Exposure Risk is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale will not fulfill its contractual obligations, causing a loss to the Fund.

(b) Other Risks

In general, the Fund may be subject to additional risks, including, but not limited to, risks related to government regulation and intervention in financial markets, operational risks, risks associated with financial, economic and global market disruptions, and cybersecurity risks. Please see the Fund’s prospectus and Statement of Additional Information for a more detailed description of the risks of investing in the Fund. Please see the Important Information section of this report for additional discussion of certain regulatory and market developments that may impact the Fund’s performance.

Market Disruption Risk The Fund is subject to investment and operational risks associated with financial, economic and other global market developments and disruptions, including those arising from war, terrorism, market manipulation, government interventions, defaults and shutdowns, political changes or diplomatic developments, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters, which can all negatively impact the securities markets and cause the Fund to lose value. These events can also impair the technology and other operational systems upon which the Fund’s service providers, including PIMCO as the Fund’s investment adviser, rely, and could otherwise disrupt the Fund’s service providers’ ability to fulfill their obligations to the Fund. For example, the recent spread of an infectious respiratory illness caused by a novel strain of coronavirus (known as COVID-19) has caused volatility, severe market dislocations and liquidity constraints in many markets, including markets for the securities the Fund holds, and may adversely affect the Fund’s investments and operations. Please see the Important Information section for additional discussion of the COVID-19 pandemic.

Government Intervention in Financial Markets Federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take actions that affect the regulation of the instruments in which the Fund invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which the Fund itself is regulated. Such legislation or regulation could limit or preclude the Fund’s ability to achieve its investment objective. Furthermore, volatile financial markets can expose the Fund to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by the Fund. The value of the Fund’s holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which the Fund invests. In addition, it is not certain that the U.S. Government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Regulatory Risk Financial entities, such as investment companies and investment advisers, are generally subject to extensive government regulation and intervention. Government regulation and/or intervention may change the way the Fund is regulated, affect the expenses incurred directly by the Fund and the value of its investments, and limit and/or preclude the Fund's ability to achieve its investment objective. Government regulation may change frequently and may have significant adverse consequences. Moreover, government regulation may have unpredictable and unintended effects.

Operational Risk An investment in the Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel and errors caused by third-party service providers. The occurrence of any of these failures, errors or breaches could result in a loss of information, regulatory scrutiny, reputational damage or other events, any of which could have a material adverse effect on the Fund. While the Fund seeks to minimize such events through controls and oversight, there may still be failures that could cause losses to the Fund.

Cyber Security Risk As the use of technology has become more prevalent in the course of business, the Fund has become potentially more susceptible to operational and information security risks resulting from breaches in cyber security. A breach in cyber security refers to both intentional and unintentional cyber events that may, among other things, cause the Fund to lose proprietary information, suffer data corruption and/or destruction or lose operational capacity, result in the unauthorized release or other misuse of confidential information, or otherwise disrupt normal business operations. Cyber security failures or breaches may result in financial losses to the Fund and its shareholders. These failures or breaches may also result in disruptions to business operations, potentially resulting in financial losses; interference with the Fund's ability to calculate its net asset value, process shareholder transactions or otherwise transact business with shareholders; impediments to trading; violations of applicable privacy and other laws; regulatory fines; penalties; reputational damage; reimbursement or other compensation costs; additional compliance and cyber security risk management costs and other adverse consequences. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future.

8. MASTER NETTING ARRANGEMENTS

The Fund may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that is intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Fund to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single

Master Agreement with a counterparty. For financial reporting purposes the Statement of Assets and Liabilities generally presents derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to $250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Fund's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively "Master Repo Agreements") govern repurchase, reverse repurchase, and certain sale-buyback transactions between the Fund and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern certain forward settling transactions, such as TBA securities, delayed-delivery or certain sale-buyback transactions by and between the Fund and select counterparties. The Master Forward Agreements maintain provisions for, among other things, transaction initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

Customer Account Agreements and related addenda govern cleared derivatives transactions such as futures, options on futures, and cleared OTC derivatives. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant ("FCM") registered with the Commodity Futures Trading Commission. In the United States, counterparty risk may be reduced as creditors of an FCM cannot have a claim to Fund assets in the segregated account. Portability of exposure reduces risk to the Fund. Variation margin, which reflects changes in market value, is generally exchanged daily, but may not be netted between futures and cleared OTC derivatives unless the parties have agreed to a separate arrangement in respect of portfolio margining. The market value or accumulated unrealized appreciation (depreciation), initial margin posted, and any unsettled variation margin as of period end are disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA Master Agreements") govern bilateral OTC derivative transactions entered into by the Fund with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral posting and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. The ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if the counterparty has a decline in credit quality below a predefined level or as required by regulation. Similarly, if required by regulation, the Fund may be required to post additional collateral beyond coverage of daily exposure. These amounts, if any, may (or if required by law, will) be segregated with a third-party custodian. To the extent the Fund is required by regulation to post additional collateral beyond coverage of daily exposure, it could potentially incur costs, including in procuring eligible assets to meet collateral requirements, associated with such posting. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

9. FEES AND EXPENSES

(a) Investment Advisory Fee PIMCO is a majority-owned subsidiary of Allianz Asset Management of America L.P. ("Allianz Asset Management") and serves as the Adviser to the Trust, pursuant to an investment advisory contract. The Adviser receives a monthly fee from the Fund at an annual rate based on average daily net assets (the "Investment Advisory Fee"). The Investment Advisory Fee for all classes is charged at an annual rate as noted in the table in note (b) below.

(b) Supervisory and Administrative Fee PIMCO serves as administrator (the "Administrator") and provides supervisory and administrative services to the Trust for which it receives a monthly supervisory and administrative fee based on each share class's average daily net assets (the "Supervisory and Administrative Fee"). As the Administrator, PIMCO bears the costs of various third-party services, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs.

The Investment Advisory Fee and Supervisory and Administrative Fees for all classes, as applicable, are charged at the annual rate as noted in the following table (calculated as a percentage of the Fund's average daily net assets attributable to each class):

Investment Advisory Fee	Supervisory and Administrative Fee						
All Classes	Institutional Class	I-2	I-3	Administrative Class	Class A	Class C	Class R
0.25%	0.20%	0.30%	0.40%(1)	0.20%	0.35%	0.35%	0.35%

(1) PIMCO has contractually agreed, through July 31, 2023, to waive its supervisory and administrative fee for I-3 shares by 0.05% of the average daily net assets attributable to I-3 shares of the Fund.

(c) Distribution and Servicing Fees PIMCO Investments LLC, a wholly-owned subsidiary of PIMCO, serves as the distributor ("Distributor") of the Trust's shares.

The Trust has adopted separate Distribution and Servicing Plans with respect to the Class A, Class C and Class R shares of the Trust pursuant to Rule 12b-1 under the Act. In connection with the distribution of Class C and Class R shares of the Trust, the Distributor receives distribution fees from the Trust of up to 0.50% for Class C shares and 0.25% for Class R shares, and in connection with personal services rendered to Class A, Class C and Class R shareholders and the maintenance of such shareholder accounts, the Distributor receives servicing fees from the Trust of up to 0.25% for each of Class A, Class C and Class R shares (percentages reflect annual rates of the average daily net assets attributable to the applicable class).

The Trust has adopted a Distribution and Servicing Plan with respect to the Administrative Class shares of the Fund pursuant to Rule 12b-1 under the Act (the "Administrative Class Plan"). Under the terms of the Administrative Class Plan, the Fund may compensate the Distributor for providing, or procuring through financial intermediaries, distribution, administrative, recordkeeping, shareholder and/or related services with respect to Administrative Class shares. The Administrative Class Plan permits the Fund to make total payments at an annual rate of up to 0.25% of the average daily net assets attributable to the Administrative Class shares.

The Trust paid distribution and servicing fees at effective rates as noted in the following table (calculated as a percentage of the Fund's average daily net assets attributable to each class):

	Allowable Rate	
	Distribution Fee	**Servicing Fee**
Class A	—	0.25%
Class C	0.50%	0.25%
Class R	0.25%	0.25%

	Distribution and/or Servicing Fee
Administrative Class	0.25%

The Distributor also received the proceeds of the initial sales charges paid by the shareholders upon the purchase of Class A shares, except for the PIMCO Short Asset Investment Fund, and the contingent deferred sales charges paid by the shareholders upon certain redemptions of Class A and Class C shares, except for the PIMCO Government Money Market Fund and the PIMCO Short Asset Investment Fund. For the period ended September 30, 2022, the Distributor retained $1,630,048 representing commissions (sales charges) and contingent deferred sales charges, net of any commission adjustments payable by the Distributor to broker-dealers, from the Trust.

(d) Fund Expenses PIMCO provides or procures supervisory and administrative services for shareholders and also bears the costs of various third-party services required by the Fund, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs. The Trust is responsible for the following expenses: (i) salaries and other compensation of any of the Trust's executive officers and employees who are not officers, directors, stockholders, or employees of PIMCO or its subsidiaries or affiliates; (ii) taxes and governmental fees; (iii) brokerage fees and commissions and other portfolio transaction expenses; (iv) costs of borrowing money, including interest expenses; (v) fees and expenses of the Trustees who are not "interested persons" of PIMCO or the Trust, and any counsel retained exclusively for their benefit; (vi) extraordinary expenses, including costs of litigation and indemnification expenses; (vii) expenses, such as organizational expenses, which are capitalized in accordance with generally accepted accounting principles; and (viii) any expenses allocated or allocable to a specific class of shares, which include service fees payable with respect to the Administrative Class Shares, and may include certain other expenses as permitted by the Trust's Multi-Class Plan adopted pursuant to Rule 18f-3 under the Act and subject to review and approval by the Trustees. The ratio of expenses to average net assets per share class, as disclosed on the Financial Highlights, may differ from the annual fund operating expenses per share class.

The Trust pays no compensation directly to any Trustee or any other officer who is affiliated with the Administrator, all of whom receive remuneration for their services to the Trust from the Administrator or its affiliates.

(e) Expense Limitation Pursuant to the Expense Limitation Agreement, PIMCO has agreed, through July 31, 2023, to waive a portion of the Fund's Supervisory and Administrative Fee, or reimburse the Fund, to the extent that the Fund's organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata share of Trustee Fees exceed 0.0049%, the "Expense Limit" (calculated as a percentage of the Fund's average daily net assets attributable to each class). The Expense Limitation Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term.

In any month in which the supervision and administration agreement is in effect, PIMCO is entitled to reimbursement by the Fund of any portion of the supervisory and administrative fee waived or reimbursed pursuant to the Expense Limitation Agreement (the "Reimbursement Amount") within thirty-six months of the time of the waiver, provided that such amount paid to PIMCO will not: i) together with any organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata Trustee fees, exceed, for such month, the Expense Limit (or the amount of the expense limit in place at the time the amount being recouped was originally waived if lower than the Expense Limit); ii) exceed the total Reimbursement Amount; or iii) include any amounts previously reimbursed to PIMCO. At September 30, 2022, there were no recoverable amounts.

Pursuant to a Fee Waiver Agreement, PIMCO has contractually agreed, through July 31, 2023, to waive its supervisory and administrative fee for I-3 shares by 0.05% of the average daily net assets attributable to I-3 shares of the Fund. This Fee Waiver Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term.

Pursuant to the Expense Limitation Agreement and I-3 Fee Waiver Agreement, waiver amounts are reflected on the Statement of Operations as a component of Waiver and/or Reimbursement by PIMCO. For the period ended September 30, 2022, the amount was $11,512.

10. RELATED PARTY TRANSACTIONS

The Adviser, Administrator, and Distributor are related parties. Fees paid to these parties are disclosed in Note 9, Fees and Expenses, and the accrued related party fee amounts are disclosed on the Statement of Assets and Liabilities.

The Fund is permitted to purchase or sell securities from or to certain related affiliated funds under specified conditions outlined in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Fund from or to another fund or portfolio that are, or could be, considered an affiliate, or an affiliate of an affiliate, by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 under the Act. Further, as defined under the procedures, each transaction is effected at the current market price. Purchases and sales of securities pursuant to Rule 17a-7 under the Act for the period ended September 30, 2022, were as follows (amounts in thousands†):

Purchases	Sales
$ 129,847	$ 18,426

† A zero balance may reflect actual amounts rounding to less than one thousand.

11. GUARANTEES AND INDEMNIFICATIONS

Under the Trust's organizational documents, each Trustee or officer of the Trust is indemnified and each employee or other agent of the Trust (including the Trust's investment manager) may be indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts.

12. PURCHASES AND SALES OF SECURITIES

The length of time the Fund has held a particular security is not generally a consideration in investment decisions. A change in the securities held by the Fund is known as "portfolio turnover." The Fund may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover may involve correspondingly greater transaction costs, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which are borne by the Fund. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates when distributed to shareholders). The transaction costs associated with portfolio turnover may adversely affect the Fund's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended September 30, 2022, were as follows (amounts in thousands†):

U.S. Government/Agency		All Other	
Purchases	Sales	Purchases	Sales
$ 4,366,905	$ 6,596,322	$ 393,178	$ 310,587

† A zero balance may reflect actual amounts rounding to less than one thousand.

13. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a $0.01 par value. Changes in shares of beneficial interest were as follows (shares and amounts in thousands†):

	Six Months Ended 09/30/2022 (Unaudited)		Year Ended 03/31/2022	
	Shares	Amount	Shares	Amount
Receipts for shares sold				
Institutional Class	105,461	$ 1,143,186	265,336	$ 3,234,210
I-2	24,960	274,274	84,627	1,033,326
I-3	1,040	11,504	3,448	42,081
Administrative Class	4,947	54,241	37,883	463,590
Class A	9,879	108,479	32,732	399,415
Class C	1,458	16,103	6,065	74,150
Class R	2,223	24,360	5,193	63,323
Issued as reinvestment of distributions				
Institutional Class	31,315	344,372	37,244	454,672
I-2	5,449	59,980	5,993	73,087
I-3	206	2,264	200	2,444
Administrative Class	1,580	17,383	3,527	43,233
Class A	6,446	70,949	7,438	90,793
Class C	418	4,600	368	4,483
Class R	1,002	11,037	1,117	13,630
Cost of shares redeemed				
Institutional Class	(130,304)	(1,434,576)	(240,529)	(2,927,138)
I-2	(45,603)	(500,524)	(46,554)	(563,185)
I-3	(1,081)	(11,863)	(1,953)	(23,425)
Administrative Class	(6,766)	(74,079)	(78,268)	(962,203)
Class A	(19,133)	(209,808)	(34,002)	(414,079)
Class C	(1,954)	(21,314)	(2,103)	(25,587)
Class R	(2,695)	(29,668)	(5,341)	(64,960)
Net increase (decrease) resulting from Fund share transactions	(11,152)	$ (139,100)	82,421	$ 1,011,860

† A zero balance may reflect actual amounts rounding to less than one thousand.

14. REGULATORY AND LITIGATION MATTERS

The Fund is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

On May 17, 2022, Allianz Global Investors U.S. LLC (“AGI U.S.”) pleaded guilty in connection with the proceeding United States of America v. Allianz Global Investors U.S. LLC. AGI U.S. is an indirect subsidiary of Allianz SE. The conduct resulting in the matter described above occurred entirely within AGI U.S. and did not involve PIMCO or the Distributor, or any personnel of PIMCO or the Distributor. Nevertheless, because of the disqualifying conduct of AGI U.S., their affiliate, PIMCO would have been disqualified from serving as the investment adviser, and the Distributor would have been disqualified from serving as the principal underwriter, to the Fund in the absence of SEC exemptive relief. PIMCO and the Distributor have received exemptive relief from the SEC to permit them to continue serving as investment adviser and principal underwriter for U.S.- registered investment companies, including the Fund.

The foregoing speaks only as of the date of this report.

15. FEDERAL INCOME TAX MATTERS

The Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code (the "Code") and distribute all of its taxable income and net realized gains, if applicable, to shareholders. Accordingly, no provision for Federal income taxes has been made.

The Fund may be subject to local withholding taxes, including those imposed on realized capital gains. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

In accordance with U.S. GAAP, the Adviser has reviewed the Fund's tax positions for all open tax years. As of September 30, 2022, the Fund has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions it has taken or expects to take in future tax returns.

The Fund files U.S. federal, state, and local tax returns as required. The Fund's tax returns are subject to examination by relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Under the Regulated Investment Company Modernization Act of 2010, a fund is permitted to carry forward any new capital losses for an unlimited period. Additionally, such capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term under previous law.

As of its last fiscal year ended March 31, 2022, the Fund had the following post-effective capital losses with no expiration (amounts in thousands†):

Short-Term	Long-Term
$ 0	$ 0

† A zero balance may reflect actual amounts rounding to less than one thousand.

As of September 30, 2022, the aggregate cost and the net unrealized appreciation/(depreciation) of investments for federal income tax purposes are as follows (amounts in thousands†):

	Federal Tax Cost	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized Appreciation/ (Depreciation)[(1)]
PIMCO Real Return Fund	$ 13,156,547	$ 389,081	$ (2,159,439)	$ (1,770,358)

† A zero balance may reflect actual amounts rounding to less than one thousand.
(1) Primary differences, if any, between book and tax net unrealized appreciation/(depreciation) are attributable to wash sale loss deferrals for federal income tax purposes.

Counterparty Abbreviations:

BCY	Barclays Capital, Inc.	**MYI**	Morgan Stanley & Co. International PLC
BOA	Bank of America N.A.	**NGF**	Nomura Global Financial Products, Inc.
BPS	BNP Paribas S.A.	**RBC**	Royal Bank of Canada
BRC	Barclays Bank PLC	**SAL**	Citigroup Global Markets, Inc.
CBK	Citibank N.A.	**SCX**	Standard Chartered Bank, London
DUB	Deutsche Bank AG	**SOG**	Societe Generale Paris
GLM	Goldman Sachs Bank USA	**STR**	State Street FICC Repo
GST	Goldman Sachs International	**TOR**	The Toronto-Dominion Bank
JPM	JP Morgan Chase Bank N.A.	**UAG**	UBS AG Stamford
MBC	HSBC Bank Plc	**UBS**	UBS Securities LLC
MYC	Morgan Stanley Capital Services LLC		

Currency Abbreviations:

ARS	Argentine Peso	**NOK**	Norwegian Krone
AUD	Australian Dollar	**NZD**	New Zealand Dollar
CAD	Canadian Dollar	**PEN**	Peruvian New Sol
DKK	Danish Krone	**PLN**	Polish Zloty
EUR	Euro	**SEK**	Swedish Krona
GBP	British Pound	**SGD**	Singapore Dollar
JPY	Japanese Yen	**TWD**	Taiwanese Dollar
KRW	South Korean Won	**USD (or $)**	United States Dollar
MXN	Mexican Peso		

Exchange Abbreviations:

OTC	Over the Counter

Index/Spread Abbreviations:

BADLARPP	Argentina Badlar Floating Rate Notes	**EUR003M**	3 Month EUR Swap Rate
CDX.IG	Credit Derivatives Index - Investment Grade	**FRCPXTOB**	France Consumer Price ex-Tobacco Index
CMBX	Commercial Mortgage-Backed Index	**MUTKCALM**	Tokyo Overnight Average Rate
CPALEMU	Euro Area All Items Non-Seasonally Adjusted Index	**SONIO**	Sterling Overnight Interbank Average Rate
CPTFEMU	Eurozone HICP ex-Tobacco Index	**UKRPI**	United Kingdom Retail Prices Index
CPURNSA	Consumer Price All Urban Non-Seasonally Adjusted Index	**US0003M**	ICE 3-Month USD LIBOR

Other Abbreviations:

ABS	Asset-Backed Security	**EURIBOR**	Euro Interbank Offered Rate
ALT	Alternate Loan Trust	**LIBOR**	London Interbank Offered Rate
BBR	Bank Bill Rate	**OAT**	Obligations Assimilables du Trésor
BTP	Buoni del Tesoro Poliennali "Long-term Treasury Bond"	**OIS**	Overnight Index Swap
CLO	Collateralized Loan Obligation	**oz.**	Ounce
DAC	Designated Activity Company	**TBA**	To-Be-Announced

At a meeting held on August 23-24, 2022, the Board of Trustees (the "Board") of PIMCO Funds (the "Trust"), including the Trustees who are not "interested persons" of the Trust under the Investment Company Act of 1940, as amended (the "Independent Trustees"), considered and unanimously approved the renewal of the Amended and Restated Investment Advisory Contract (the "Investment Advisory Contract") between the Trust, on behalf of the Trust's series (each, a "Fund" and collectively, the "Funds"), and Pacific Investment Management Company LLC ("PIMCO"), for an additional one-year term through August 31, 2023. The Board also considered and unanimously approved the Third Amended and Restated Supervision and Administration Agreement (the "Supervision and Administration Agreement") between the Trust, on behalf of the Funds, and PIMCO for an additional one-year term through August 31, 2023. In addition, the Board considered and unanimously approved the renewal of the:

(i) Amended and Restated Asset Allocation Sub-Advisory Agreement between PIMCO, on behalf of PIMCO All Asset Fund and PIMCO All Asset All Authority Fund, each a series of the Trust, and Research Affiliates, LLC ("Research Affiliates"); and

(ii) Amended and Restated Sub-Advisory Agreement between PIMCO, on behalf of PIMCO RAE Fundamental Advantage PLUS Fund, PIMCO RAE PLUS Fund, PIMCO RAE PLUS EMG Fund, PIMCO RAE PLUS International Fund, PIMCO RAE PLUS Small Fund and PIMCO RAE Worldwide Long/Short PLUS Fund, each a series of the Trust, and Research Affiliates

(collectively, the "Sub-Advisory Agreements" and, together with the Investment Advisory Contract and the Supervision and Administration Agreement, the "Agreements").

In addition, the Board considered and unanimously approved the renewal of the investment management agreements between PIMCO and each of the wholly-owned subsidiaries (each, a "Subsidiary" and, collectively, the "Subsidiaries") of certain of the Funds (collectively, the "Subsidiary Agreements"), each for the same additional one-year term through August 31, 2023.

The information, material factors and conclusions that formed the basis for the Board's approvals are summarized below.

1. INFORMATION RECEIVED

(a) Materials Reviewed: During the course of the past year, the Trustees received a wide variety of materials relating to the services provided by PIMCO and Research Affiliates to the Trust. At each of its quarterly meetings, the Board reviewed the Funds' investment performance and a significant amount of information relating to Fund operations, including shareholder services, valuation and custody, the Funds' compliance program and other information relating to the nature, extent and quality of services provided by PIMCO and Research Affiliates to the Trust and each of the Funds, as applicable. In considering whether to approve the renewal of the Agreements and the Subsidiary Agreements, the Board reviewed additional information, including, but not limited to: comparative industry data with regard to investment performance; advisory and supervisory and administrative fees and expenses; financial information for PIMCO, including, where relevant, financial information for Research Affiliates; information regarding the profitability to PIMCO of its relationship with the Funds; information about the personnel providing investment management services, other advisory services and supervisory and administrative services to the Funds; and information about the fees charged and services provided to other clients with similar investment mandates as the Funds, where applicable. In addition, the Board reviewed materials provided by counsel to the Trust and the Independent Trustees ("Counsel"), which included, among other things, a memorandum outlining legal duties of the Board in considering the renewal of the Agreements and the Subsidiary Agreements.

With respect to the Subsidiary Agreements, the Trustees considered that each Fund that has a Subsidiary may utilize its Subsidiary to execute its investment strategy and that PIMCO provides investment advisory and administrative services to the Subsidiaries pursuant to the Subsidiary Agreements in the same manner as it does for such Funds that have Subsidiaries under the Investment Advisory Contract and Supervision and Administration Agreement. The Trustees also considered that, with respect to each Subsidiary, PIMCO does not retain a separate advisory or other fee from the Subsidiary, and that PIMCO's profitability with respect to each Fund that has a Subsidiary is not positively impacted as a result of the Subsidiary Agreements. The Trustees determined, therefore, that it was appropriate to consider the approval of the Subsidiary Agreements collectively with their consideration of the continuation of the Agreements.

(b) Review Process: In connection with considering the renewal of the Agreements, the Board reviewed written materials prepared by PIMCO and, where applicable, Research Affiliates in response to requests from Counsel encompassing a wide variety of topics. The Board requested and received assistance and advice regarding, among other things, applicable legal standards from Counsel, and reviewed comparative fee and performance data prepared at the Board's request by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company performance information and fee and expense data. The Board received presentations on matters related to the Agreements and met both as a full Board and in a separate session of the Independent Trustees, without management present, at the August 23-24, 2022 meeting. The Independent Trustees also met via video conference with Counsel on July 14, 2022, and conducted a video conference meeting on August 10, 2022 with management and Counsel to discuss the materials presented and other matters deemed relevant to their consideration of the renewal of the Agreements. In connection with its review of the Agreements, the Board received comparative information on the performance, the risk-adjusted performance and the fees and expenses of other peer group funds and share classes. The Independent Trustees also requested and received supplemental information, including information regarding Broadridge peer classifications, the expense structure of certain Funds and classes, outflows for certain Funds, Fund performance and profitability.

The approval determinations were made on the basis of each Trustee's business judgment after consideration and evaluation of all the information presented. Individual Trustees may have given different weights to certain factors and assigned various degrees of materiality to information received in connection with the approval process. In deciding to approve the renewal of the Agreements, the Board did not identify any single factor or particular information that, in isolation, was controlling. The discussion below is intended to summarize the broad factors and information that figured prominently in the Board's consideration of the renewal of the Agreements, but is not intended to summarize all of the factors considered by the Board.

2. NATURE, EXTENT AND QUALITY OF SERVICES

(a) PIMCO, Research Affiliates, their Personnel and Resources: The Board considered the depth and quality of PIMCO's investment management process, including, but not limited to: the experience, capability and integrity of its senior management and other personnel; the overall financial strength and stability of its organization; and the ability of its organizational structure to address changes in the Funds' asset levels. The Board also considered the various services in addition to portfolio management that PIMCO provides under the Investment Advisory Contract. The Board noted that PIMCO makes available to its investment professionals a variety of resources and systems relating to investment management, compliance, trading, performance and portfolio accounting. The Board also noted PIMCO's commitment to enhancing and investing in its global infrastructure, technology capabilities, risk management processes and the specialized talent needed to stay at the forefront of the competitive investment management industry and to strengthen its ability to deliver services under the Agreements. The Board considered PIMCO's policies, procedures and systems reasonably designed to assure compliance with applicable laws and regulations, including new regulations impacting the Funds, and its commitment to further developing and strengthening these programs; its oversight of matters that may involve conflicts of interest between the Funds' investments and those of other accounts managed by PIMCO; and its efforts to keep the Trustees informed about matters relevant to the Funds and their shareholders. The Board also considered PIMCO's investment in new disciplines and talented personnel, which has enhanced PIMCO's services to the Funds and has allowed PIMCO to introduce innovative new funds over time. In addition, the Board considered the nature, extent and quality of services provided by PIMCO to the Subsidiaries of certain applicable Funds.

In addition, the Trustees considered new services and service enhancements that PIMCO has implemented, including, the ongoing development of its own proprietary software and applications to support the Funds. Similarly, the Board considered the asset allocation services provided by Research Affiliates to the PIMCO All Asset Fund and PIMCO All Asset All Authority Fund and the sub-advisory services provided by Research Affiliates to the PIMCO RAE Fundamental Advantage PLUS Fund, PIMCO RAE PLUS EMG Fund, PIMCO RAE PLUS Fund, PIMCO RAE PLUS International Fund, PIMCO RAE PLUS Small Fund, and PIMCO RAE Worldwide Long/Short PLUS Fund. The Board further considered PIMCO's oversight of Research Affiliates in connection with Research Affiliates providing asset allocation and/or sub-advisory services. The Board also considered the depth and quality of Research Affiliates' investment management and research capabilities, the experience and capabilities of their portfolio management personnel and the overall financial strength of the organizations. Ultimately, the Board concluded that the nature, extent and quality of services provided or procured by PIMCO under the Agreements and the Subsidiary Agreements and provided by Research Affiliates under the Sub-Advisory Agreements are likely to continue to benefit the Funds and their shareholders, as applicable.

(b) Other Services: The Board also considered the nature, extent and quality of supervisory and administrative services provided by PIMCO to the Funds under the Supervision and Administration Agreement.

The Board considered the terms of the Supervision and Administration Agreement, under which the Trust pays for the supervisory and administrative services provided pursuant to that agreement under what is essentially an all-in fee structure (the "unified fee").In return, PIMCO provides or procures certain supervisory and administrative services and bears the costs of various third party services required by the Funds, including, but not limited to, audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board also noted that the scope and complexity, as well as the costs, of the supervisory and administrative services provided by PIMCO under the Supervision and Administration Agreement continue to increase. The Board considered PIMCO's provision of supervisory and administrative services and its supervision of the Trust's third party service providers to assure that these service providers continue to provide a high level of service relative to alternatives available in the market. Ultimately, the Board concluded that the nature, extent and quality of the services provided or procured by PIMCO has benefited, and will likely continue to benefit, the Funds and their shareholders.

3. INVESTMENT PERFORMANCE

The Board reviewed information from PIMCO concerning the Funds' performance, as available, over short- and long-term periods ended March 31, 2022 and other performance data, as available, over short- and long-term periods ended June 30, 2022 (the "PIMCO Report") and from Broadridge concerning the Funds' performance, as available, over short- and long-term periods ended March 31, 2022 (the "Broadridge Report").

The Board considered information regarding both the short- and long-term relative and absolute investment performance of each Fund relative to its Fund peer group and relevant benchmark index as provided to the Board in advance of each of its quarterly meetings throughout the year, including the PIMCO Report and Broadridge Report. The Trustees reviewed information indicating that classes of each Fund would have substantially similar performance to that of the Institutional Class of the relevant Fund on a relative basis because all of the classes are invested in the same portfolio of investments and that differences in performance among classes could principally be attributed to differences in the supervisory and administrative fees and distribution and/or servicing expenses of each class. The Board noted that, due to differences (such as specific investment strategies or fee structures) between certain of the Funds and their so-called peers in the Broadridge categories, performance comparisons may not be particularly relevant to the consideration of Fund performance, but found the comparative information supported its overall evaluation. The Board also noted that the Broadridge Report incorporated peer classifications from Morningstar for Funds for which it was believed that Morningstar provided a materially improved comparison.

The Trustees noted the Funds (based on Institutional Class performance) that outperformed their respective benchmark indexes on a net-of-fees basis over the one-, three- and five-year periods ended June 30, 2022. The Board also noted the amounts of the Funds' assets (based on Institutional Class performance) that outperformed their relative benchmark indexes on a net-of-fees basis over the one-, three- and five-year periods ended June 30, 2022. The Board reviewed information that showed that a majority of the Funds and the Funds' assets (based on Institutional Class performance) outperformed their respective Broadridge peer category's median return over the ten-year periods ended March 31, 2022. The Board considered that, according to the Broadridge Report, the Funds generally performed well versus competitors during the long-term, but that certain Funds had underperformed in comparison to their respective peer groups or benchmark indexes, or both, on a net-of-fees basis over certain short- and long-term periods. With respect to Funds that underperformed to a certain degree over such periods, the Board discussed with PIMCO the reasons for the underperformance of such Funds. The Board also considered actions that have been taken by PIMCO throughout the year to attempt to address underperformance. Depending on the circumstances, the Independent Trustees may be satisfied with a Fund's performance notwithstanding that it lags its benchmark index or peer group for certain periods.

The Board ultimately concluded, within the context of all of its considerations in connection with the Agreements and the Subsidiary Agreements, that PIMCO's performance record and process in managing the Funds indicates that its continued management is likely to benefit the Funds and their shareholders and merits the approval of the renewal of the Agreements and the Subsidiary Agreements.

4. ADVISORY FEES, SUPERVISORY AND ADMINISTRATIVE FEES AND TOTAL EXPENSES

The Board considered that PIMCO seeks to price new funds and classes at scale at the outset with reference to the total expense ratios of the respective Broadridge median, if available, while providing a premium for innovative investment offerings. PIMCO reported to the Board that, in proposing fees for any Fund or class of shares, it considers a number of factors, including, but not limited to, the type and complexity of the services provided, the cost of providing services, the risk assumed by PIMCO in the development of products and the provision of services and the competitive marketplace for financial products. Fees charged to or proposed for different Funds for advisory services and supervisory and administrative services may vary in light of these various factors.

The Board reviewed the advisory fees, supervisory and administrative fees and total expenses of the Funds (each as a percentage of average net assets) and compared such amounts with the average and median fee and expense levels of other similar funds. The Board also reviewed information relating to the sub-advisory fees paid to Research Affiliates with respect to applicable Funds, taking into account that PIMCO compensates Research Affiliates from the advisory fees paid by such Funds to PIMCO. With respect to advisory fees, the Board reviewed data from the Broadridge Report that compared the average and median advisory fees of other funds in a "Peer Group" of comparable funds, as well as the universe of other similar funds. In addition, the Board considered the expense limitation agreement in place for all of the Funds and fee waivers in place or proposed for certain of the Funds and/or classes and also noted the fee waivers in place with respect to the advisory fee and supervisory and administrative fee that might result from investments by applicable Funds in their respective Subsidiaries. The Board also considered that PIMCO reviews the Funds' fee levels and carefully considers changes where appropriate.

The Board also reviewed data comparing the Funds' advisory fees to the fee rates PIMCO charged to registered funds (open-end, closed-end and interval), private funds, and non-U.S. registered funds, separate accounts, sub-advised clients, and collective investment trusts with similar investment strategies. In cases where the fees for other clients were lower than those charged to the Funds, the Trustees noted that the differences in fees were attributable to various factors, including, but not limited to, differences in the advisory and other services provided by PIMCO to the Funds, differences in the number or extent of the services provided by PIMCO to the Funds, the manner in which similar portfolios may be managed, different requirements with respect to liquidity management and the implementation of other regulatory requirements, and the fact that separate accounts may have other contractual arrangements or arrangements across PIMCO strategies that justify different levels of fees. The Board considered that, with respect to collective investment trusts, PIMCO performs fewer or less extensive services because collective investment trusts are generally exempt from SEC regulation; investors in a collective investment trust may receive shareholder services from a trustee bank, rather than PIMCO; collective investment trusts have less regulatory disclosure; and the management structure of collective investment trusts differs from that of Funds. The Trustees also considered that PIMCO faces increased entrepreneurial, legal and regulatory risk in sponsoring and managing mutual funds and ETFs as compared to separate accounts, external sub-advised funds or other investment products. In addition, the Trustees considered that PIMCO may charge certain private funds with similar investment mandates lower fees than the Funds because such private funds are not required to accept daily redemptions or price their assets on a daily basis, generally do not accept small investors with small account balances and operate under a less complex regulatory regime.

Regarding advisory fees charged by PIMCO in its capacity as sub-adviser to third party/unaffiliated funds, the Trustees took into account that such fees may be lower than the fees charged by PIMCO to serve as adviser to the Funds. The Trustees also took into account that there are various reasons for any such differences in fees, including, but not limited to, the fact that PIMCO may be subject to varying levels of entrepreneurial, legal and regulatory risk and different servicing requirements when PIMCO does not serve as the sponsor of a fund and is not principally responsible for all aspects of a fund’s investment program and operations as compared to when PIMCO serves as investment adviser and sponsor.

The Board considered the Funds’ supervisory and administrative fees, comparing them to similar funds managed by other investment advisers in the Broadridge Report. The Board also considered that, as the Funds’ business has become increasingly complex and the number of Funds has grown over time, PIMCO has provided an increasingly broad array of fund supervisory and administrative functions. In addition, the Board considered the Trust’s unified fee structure, under which the Trust pays for the supervisory and administrative services it requires for one set fee. In return for this unified fee, PIMCO provides or procures supervisory and administrative services and bears the costs of various third party services required by the Funds, including audit, custodial, portfolio accounting, ordinary legal, transfer agency, sub-accounting and printing costs. The Board further considered that many other funds pay for comparable services separately, and thus it is difficult to directly compare the Trust’s unified supervisory and administrative fees with the fees paid by other funds for administrative services alone. The Board also considered that the unified supervisory and administrative fee leads to Fund fees that are fixed over the contract period, rather than variable. The Board noted that, although the unified fee structure does not have breakpoints, it inherently reflects certain economies of scale by fixing the absolute level of Fund fees at competitive levels over the contract period even if the Funds’ operating costs rise when assets remain flat or decrease. Other factors the Board considered in assessing the unified fee include PIMCO’s approach of pricing Funds at scale at inception and reinvesting in other important areas of the business that support the Funds. The Board considered historical advisory and supervisory and administrative fee reductions implemented for different Funds and classes, noting that the unified fee can be increased or decreased in subsequent contractual periods with Board approval and is subject to the periodic reviews discussed above. The Board noted that, with few exceptions, PIMCO has generally maintained Fund fees at the same level as implemented when the unified fee was adopted, and has reduced fees for a number of Funds in prior years. The Board concluded that the Funds’ supervisory and administrative fees were reasonable in relation to the value of the services provided, including the services provided to different classes of shareholders, and that the expenses assumed contractually by PIMCO under the Supervision and Administration Agreement represent, in effect, a cap on overall Fund fees during the contractual period, which is beneficial to the Funds and their shareholders.

The Board noted that the majority of the Funds' total expenses continue to be lower than those of the majority of competitor funds. The Board discussed with PIMCO certain Funds and/or classes of Funds that had above median total expenses. Upon comparing the Funds' total expenses to other funds in the "Peer Groups" provided by the Broadridge Report where appropriate, the Board found total expenses of each Fund to be reasonable.

The Trustees also considered the advisory fees charged to the Funds that operate as funds of funds (the "Funds of Funds") and the advisory services provided in exchange for such fees. The Trustees determined that such services were in addition to the advisory services provided to the underlying funds in which the Funds of Funds may invest and, therefore, such services were not duplicative of the advisory services provided to the underlying funds. The Board also considered the various fee waiver agreements in place for the Funds of Funds.

Based on the information presented by PIMCO and Research Affiliates, members of the Board determined, in the exercise of their business judgment, that the level of the advisory fees and supervisory and administrative fees charged by PIMCO under the Agreements and the Subsidiary Agreements, the fees charged by Research Affiliates under the Sub-Advisory Agreements, and the total expenses of each Fund are reasonable.

5. ADVISER COSTS, LEVEL OF PROFITS AND ECONOMIES OF SCALE

The Board reviewed information regarding PIMCO's costs of providing services to, as well as the resulting level of profits from, the Funds. To the extent applicable, the Board also reviewed information regarding the portion of a Fund's advisory fee retained by PIMCO, following the payment of sub-advisory fees to Research Affiliates, with respect to the Fund. Additionally, the Board discussed PIMCO's pre- and post-distribution profit margin ranges with respect to the Funds, as compared to the prior year. The Board also noted that it had received information regarding the structure and manner in which PIMCO's investment professionals were compensated, and PIMCO's view of the relationship of such compensation to the recruitment and retention of quality personnel. The Board considered PIMCO's investment in global infrastructure, technology capabilities, risk management processes and qualified personnel to reinforce existing services, offer new services, and accommodate changing regulatory requirements.

The Board considered the existence of any economies of scale and noted that, to the extent that PIMCO achieves economies of scale in managing the Funds, PIMCO shares the benefits of such economies of scale, if any, with the Funds and their shareholders in a number of ways, including investing in portfolio and trade operations management, firm technology, middle and back office support, legal and compliance, and fund administration logistics; senior management supervision, governance and oversight of those services; and through fee reductions or waivers, the pricing of Funds to scale from inception and the enhancement of services provided to the Funds in return for fees paid. In considering the advisory fees paid by the Funds, the Board also reviewed materials indicating that retail investors in the Funds received the benefit of PIMCO's advisory services at the same advisory fee rates as institutional investors. The Board considered that the Funds' unified fee rates had been set competitively and/or priced to scale from inception, had been held steady during the contractual period at that scaled competitive rate for most Funds as assets grew, or as assets declined in the case of some Funds, and continued to be competitive compared with peers. The Board also considered that the unified fee is a transparent means of informing a Fund's shareholders of the fees associated with the Fund, and that the Fund bears certain expenses that are not covered by the advisory fee or the unified fee. The Board further considered the challenges that arise when managing large funds, which can result in certain "diseconomies" of scale and noted that PIMCO has continued to reinvest in many areas of the business to support the Funds.

The Trustees considered that the unified fee has provided inherent economies of scale because a Fund maintains competitive fixed fees over the annual contract period even if the particular Fund's assets decline and/or operating costs rise. The Trustees also reviewed materials indicating that, unlike the Funds' unified fee structure, funds with "pass through" administrative fee structures may experience increased expense ratios when fixed dollar fees are charged against declining fund assets. The Trustees reviewed materials indicating, for example, that the PIMCO Total Return Fund, which experienced significant outflows during certain years, could have seen increases in effective fee rates and total expense ratios if its fee schedule had featured breakpoints or if it did not have a unified fee structure. In addition, the Trustees considered that the unified fee protects shareholders from a rise in operating costs that may result from, among other things, PIMCO's investments in various business enhancements and infrastructure, including those referenced above. The Trustees noted that PIMCO's investments in these areas are extensive.

The Board concluded that the Funds' cost structures were reasonable and that PIMCO is appropriately sharing economies of scale, if any, through the Funds' unified fee structure, generally pricing Funds to scale at inception and reinvesting in its business to provide enhanced and expanded services to the Funds and their shareholders.

6. ANCILLARY BENEFITS

The Board considered other benefits realized by PIMCO and its affiliates as a result of PIMCO's relationship with the Trust. Such benefits may include possible ancillary benefits to PIMCO's institutional investment management business due to the reputation and market penetration of the Trust or third party service providers' relationship-level fee concessions, which decrease fees paid by PIMCO. The Board also considered that affiliates of PIMCO provide distribution and/or shareholder services to the Funds and their shareholders, for which they may be compensated through distribution and servicing fees paid pursuant to the Funds' Rule 12b-1 plans or otherwise, such as through all or portions of the sales charges on Class A or Class C shares of the Funds, as applicable. The Board noted that while PIMCO has the authority to receive the benefit of research provided by broker-dealers executing portfolio transactions on behalf of the Funds, it has adopted a policy not to enter into contractual soft dollar arrangements.

7. CONCLUSIONS

Based on their review, including their comprehensive consideration and evaluation of each of the broad factors and information summarized above, the Independent Trustees and the Board as a whole concluded that the nature, extent and quality of the services rendered to the Funds by PIMCO and Research Affiliates supported the renewal of the Agreements and the Subsidiary Agreements. The Independent Trustees and the Board as a whole concluded that the Agreements and the Subsidiary Agreements continued to be fair and reasonable to the Funds and their shareholders, that the Funds' shareholders received reasonable value in return for the fees paid to PIMCO by the Funds under the Investment Advisory Contract, Supervision and Administration Agreement and the Subsidiary Agreements, as well as the fees paid to Research Affiliates by PIMCO under the Sub-Advisory Agreements, and that the renewal of the Agreements and the Subsidiary Agreements was in the best interests of the Funds and their shareholders.

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This report is submitted for the general information of the shareholders of the Fund listed on the Report cover.

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