

Low Duration Income Fund

CLASS:	INSTITUTIONAL
FUND INCEPTION DATE:	30 JULY 2004
TICKER:	PFIIX
CUSIP:	722005170
TOTAL NET ASSETS (IN MILLIONS):	\$5,824.7

PORTFOLIO MANAGERS

Dan Ivascyn, Alfred Murata, Eve Tournier

FUND STATISTICS

Effective duration (yrs)	1.30
Effective maturity (yrs)	2.06

SECTOR DIVERSIFICATION (%)**

	Market value weighted
US Government Related	-18.5
Securitized ¹	68.2
Invest. Grade Credit	20.0
High Yield Credit	10.8
Non-USD Developed	5.9
Emerging Markets	10.4
Other ²	2.8
Net Other Short Duration Instruments ³	0.5

Fund description

Low Duration Income Fund invests in a broad range of shorter-term bonds that are actively managed with a primary goal of generating attractive income and a secondary goal of capital appreciation. The fund maintains a relatively low risk profile and low interest rate sensitivity.

INVESTOR BENEFITS

The fund seeks to provide income for investors and generate a competitive distribution yield with a low level of interest rate sensitivity.

Potential benefits of this fund include:

- A competitive yield compared to many savings vehicles
- Multiple sources of value; the fund utilizes a broad opportunity set of fixed income securities and seeks to exploit relative value opportunities arising from securities that PIMCO believes are misrated by ratings agencies
- Designed to provide liquidity when needed

THE FUND ADVANTAGE

The fund utilizes multiple sectors of the bond market with the objective of generating a competitive and consistent distribution yield with low interest rate sensitivity. Managed to pursue efficient income generation, the strategy also focuses on PIMCO total return ideas in an effort to maximize capital appreciation and risk-adjusted returns relative to its peers. This approach seeks to provide consistent income over the long term.

VALUE OF INCOME STRATEGIES

An allocation to PIMCO's income strategies offers investors the potential for a competitive income stream with long-term capital appreciation. A focus on income can help smooth out return streams during volatile periods and help build total return over the longer term. PIMCO income strategies may also invest in a broad range of securities within the global fixed income opportunity set - from government bonds to investment grade to high yield in domestic, global developed, emerging markets - and, for some strategies, equities. While diversification is not a guarantee against loss, this diversification may prove to be particularly valuable during periods of heightened economic uncertainty.



The Lipper Fund Awards recognized the Low Duration Income Fund, Institutional for the 3 and 5 year performance periods out of 90 and 79 funds, respectively, under the Short Investment-Grade Debt Funds Classification.

Performance (net of fees)	15 yrs.	10 yrs.	5 yrs.	3 yrs.	1 yr.	YTD	3 mos.
PIMCO Fund (%)	3.55	3.68	5.58	3.28	3.12	1.00	2.33
Benchmark (%)	2.64	1.58	2.05	2.76	3.44	2.85	0.16

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit PIMCO.com or by calling 888.87.PIMCO.

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. There is no assurance that any fund, including any fund that 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) a fund's total return in excess of that of the fund's benchmark between reporting periods or 2) a fund's total return in excess of the fund's historical returns between reporting periods. Unusual performance is defined as a significant change in a fund's performance as compared to one or more previous reporting periods.

Lipper rankings* (Short Investment Grade Debt Funds)	10 yrs.	5 yrs.	3 yrs.	1 yr.
Fund rank	1	1	30	195
Number of funds	189	296	336	374
Quartile	1	1	1	3

* Based on total return performance, with distributions reinvested, and operating expenses deducted.

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information are contained in the fund's prospectus and summary prospectus, if available, which may be obtained by contacting your PIMCO representative. Please read them carefully before you invest or send money.

¹ The Securitized bucket will include Agency MBS, non-Agency MBS, CMBS, ABS, CDO, CLO, and Pooled Funds. ² Other may include convertibles, preferreds, and yankee bonds. ³ Net Other Short Duration Instruments includes securities and other instruments (except those instruments tied to emerging markets by country of risk) with an effective duration less than one year and rated investment grade or higher or, if unrated, determined by PIMCO to be of comparable quality, commingled liquidity funds, uninvested cash, interest receivables, net unsettled trades, broker money, short duration derivatives and derivatives offsets. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum credit rating higher than investment grade for inclusion in this category. Derivatives Offsets includes offsets associated with investments in futures, swaps and other derivatives. Such offsets may be taken at the notional value of the derivative position. MV% may not equal 100 due to rounding.

**Prior to 23 January 2017, the Low Duration Income Fund was named the Floating Income Fund. Certain investment guideline changes were implemented at time of name change.

Performance reflects changes in share price, reinvestment of dividends and capital gains distributions. All periods longer than one year are annualized.

Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change.

Investments made by a Fund and the results achieved by a Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. A Fund may be forced to sell a comparatively large portion of its portfolio to meet significant shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

A word about risk: Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested.

Diversification does not ensure against loss.

The value of most bond funds and fixed income securities are impacted by **changes in interest rates**. Bonds and bond funds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

Past rankings are no guarantee of future rankings. Rankings begin with the inception of the actual share class. Lipper does not take into account sales charges. The Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the Lipper Fund Award. For more information, see lipperfundawards.com. Although Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Lipper. Lipper Fund Awards from Refinitiv, © 2020 Refinitiv. All rights reserved. Used under license. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited.

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BASIC FACTS

Dividend frequency **Daily accrual**

FUND EXPENSES

Gross Expense Ratio **0.55%**

Adjusted Expense Ratio **0.51%**

The Adjusted Expense Ratio excludes certain investment expenses, such as interest expense from borrowings and repurchase agreements and dividend expense from investments on short sales, incurred directly by the Fund or indirectly through the Fund's investments in underlying PIMCO Funds (if applicable), none of which are paid to PIMCO.

PERFORMANCE CHARACTERISTICS

SEC 30-day yield (%) **2.50%**

ABOUT THE BENCHMARK

Bloomberg Barclays U.S. Aggregate 1-3 Years Index represents securities that are SEC-registered, taxable, and dollar denominated with a maturity between one and three years. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

ABOUT PIMCO

PIMCO is one of the world's premier fixed income investment managers. Since our founding in 1971 in Newport Beach, California, we have continued to bring innovation and expertise to our partnership with clients seeking the best investment solutions. Today our professionals work in 17 offices across the globe, united by a single purpose: creating opportunities for investors in every environment.

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