PIMCO

CommoditiesPLUS® Strategy Fund

SHARE CLASS: **A** | AS OF: **31 DECEMBER 2022** | **Quarterly Commentary**

Fund information	
Fund inception date	28 May 2010
Strategy	Alternative
Total Net Assets (in millions)	$4,026.0
Portfolio manager(s)	Greg Sharenow Lewis Hagedorn Bryan Tsu Andrew De Witt
Effective duration (yrs)	0.81
Benchmark duration (yrs)	0.21
Effective maturity (yrs)	0.94
A share 30-day SEC yield	
Subsidized:	3.03%
Unsubsidized:	2.87%

Class	CUSIP	Ticker
A	72201P159	PCLAX
C	72201P142	PCPCX
I2	72201P167	PCLPX
I3	72202E484	PCLNX
Institutional	72201P175	PCLIX

The 30 day SEC Yield is computed under an SEC standardized formula based on net income earned over the past 30 days. The Subsidized yield includes contractual expense reimbursements and it would be lower without those reimbursements. The Unsubsidized 30 Day SEC yield excludes contractual expense reimbursements.

Expenses	
Gross Expense Ratio (%)	1.40
Net Expense Ratio (%)	1.19

The Net Expense Ratio reflects a contractual fee waiver and/or expense reduction, which is in place through 31 July 2023 and renews automatically for a full year unless terminated by PIMCO in accordance with the terms of the agreement.

IMPORTANT NOTICE

Please note that this material contains the opinions of the manager as of the date noted, and may not have been updated to reflect real time market developments. All opinions are subject to change without notice.

Performance summary

The PIMCO CommoditiesPLUS® Strategy Fund returned 0.43% at NAV in December, outperforming the Credit Suisse Commodity Benchmark by 0.43%. Year-to-date the Fund has returned 22.71% at NAV, while the benchmark returned 25.48%.

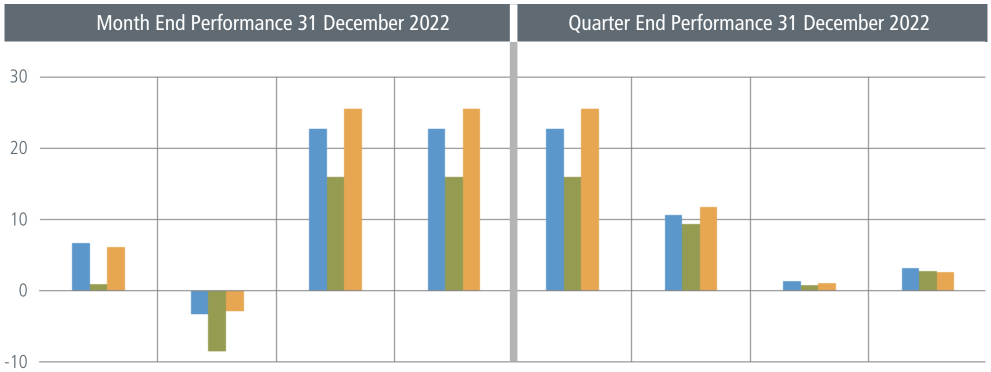
Broad Commodities, as represented by the Credit Suisse Commodities Benchmark Index, returned 0.00% for the month.

Contributors

- Active commodities strategies
- Exposure to non-agency and agency mortgage-backed securities (MBS)
- Exposure to developed market currencies
- Short exposure to U.K. duration

Detractors

- Positioning in U.S. interest rates
- Cash Management Strategies



	Month End: 3 Mos.	6 Mos.	1 Yr.	YTD	Quarter End: 1 Yr.	5 Yr.	10 Yr.	Since Inception
PIMCO CommoditiesPLUS® Strategy Fund at NAV (%)	6.68	-3.13	22.71	22.71	22.71	10.62	1.27	3.19
PIMCO CommoditiesPLUS® Strategy Fund at MOP (%)	0.85	-8.44	15.99	15.99	15.99	9.37	0.70	2.73
Credit Suisse Commodity Benchmark (%)	6.06	-2.79	25.48	25.48	25.48	11.72	1.05	2.61

If this material is used after 31 March 2023, it must be accompanied by the most recent Performance Supplement.

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.

For the periods prior to the inception date of a share class, performance information is based on the performance of the Fund's oldest class shares, adjusted to reflect the fees and expenses paid by that class of 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. 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.

The maximum offering price (MOP) returns take into account the 5.5% maximum initial sales charge.

Commodity sector weights as of 31 December 2022		
	% Market Value	
	Fund	Index
Energy	48.48	48.83
Emission	2.38	0.00
Livestock	4.19	4.43
Industrial Metals	12.43	14.34
Precious Metals	6.24	9.54
Agriculture	23.20	22.81

Collateral portfolio as of 31 December 2022		
	% Market Value	Duration (years)
Government-Related	**6.3**	**0.00**
Securitized [1]	**9.3**	**0.00**
Invest. Grade Credit	**3.7**	**0.00**
High Yield Credit	**0.0**	**0.00**
Non-USD Developed	**0.0**	**0.00**
Emerging Markets	**0.4**	**0.00**
Bonds and Other Long Duration Instruments	0.0	0.00
Short Duration Instruments [2]	0.4	0.00
Other	**26.0**	**0.00**
Net Other Short Duration Instruments [3]	**54.4**	**0.00**

Portfolio structure is subject to change without notice and may not be representative of current or future allocations.
MV% may not equal 100 due to rounding.

[1] The Securitized bucket will include Agency MBS, non-Agency MBS, CMBS, ABS, CDO, CLO, and Pooled Funds.

[2] Short Duration Instruments includes an emerging market security or other instrument economically tied to an emerging market country by country of risk with an effective duration less than one year and rated investment grade or higher or if unrated, determined to be similar quality by PIMCO. Includes the value of short duration emerging markets instruments previously reported in "Cash Equivalents".

[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.

Portfolio positioning

The Fund maintains full exposure to the Credit Suisse Commodities Benchmark Index, collateralized by a portfolio of high-quality, short-term fixed income securities.

The Fund's active commodity trades are primarily focused on relative value opportunities in commodity markets. Several key themes in energy include a preference for refined margins, an overweight to back-end oil, and crude oil geographic arbs. In agriculture, we are trading relative value in wheat. In metals, we are trading relative value between gold and real rates. We also maintain exposure to California Carbon Allowances.

In the collateral portfolio, we remain overweight to duration overall, primarily sourced via U.S. rates. We continue to favor U.S. breakeven inflation rates as long-term inflation expectations are still well anchored despite elevated inflation and upside risks. We also remain constructive on U.S. non-Agency MBS. With respect to currencies, the portfolio is currently neutral but we continue to seek overshoots and undershoots.

Quarter in review

Commodities delivered negative returns in December, driven by losses in energy, most notably in natural gas.

Oil prices remained relatively flat over the month, as low inventories offset demand concerns out of China.

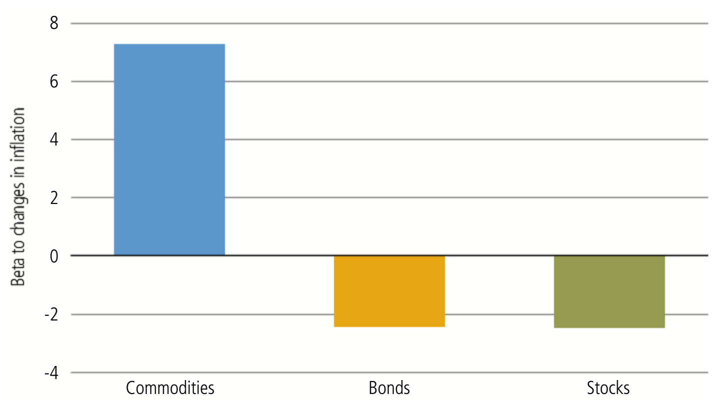
U.S. natural gas prices fell on forecasts for warmer weather. European natural gas prices fell as unseasonably warm weather in northwest Europe reduced demand for heating and allowed for inventories to be replenished.

Metals prices were higher over the month, driven by gains in nickel.

Agriculture commodities were also higher for the month; soybean complex gained the most on greater demand expectations from China as well as dry conditions in part of South America that threaten supply.

Gold rose over the month as signs of easing inflation spurred bets that the federal reserve will raise rates in smaller increments in 2023 and central banks continued purchases.

Betas to changes in the rate of inflation (1973 - December 2022)



Outlook and strategy

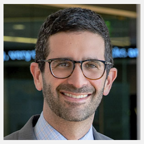
We expect that US headline inflation is likely to continue its move lower in 2023, a seeming victory for the Federal Reserve, but comes at a cost - much lower growth and tight economic conditions. While core inflation moderated recently, levels seems poised to remain stubbornly high. Inflation across developed market economies has broadened, impacting the components of the price basket that tend to be stickier, while tight labor markets are generally pushing up wages. This supports our view that ILBs remain attractively priced from a real yield and breakeven standpoint relative to long-term fair value.

With respect to commodities, we expect supply side issues to remain over the secular horizon, and therefore remain constructive on energy and agricultural commodities.

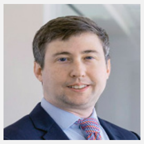
In Energy, persistent capex underinvestment, OPEC looking to cut production from unsustainable levels and disruptions to trade flow amid Russia/Ukraine conflict have resulted in significant tightness in the oil market, which we expect to persist. Ultimately, we believe higher sustained prices are needed to motivate capital and generate sufficient investments in energy markets, at least on the secular horizon. On the demand side, China reopening offers the potential for a notable tailwind going forward as economy emerges from COVID lockdown and travel demand picks up.

In agricultural markets, several years of weather disruptions have left lean inventories across much of the supply chain at a time when China has not been a big buyer. As a result, there's little buffer to withstand further crop challenges and we view prices as more likely to be skewed to the upside going forward.

Management profile



Greg Sharenow
Managing Director



Lewis Hagedorn
Executive Vice President

Bryan Tsu
Executive Vice President

Andrew De Witt
Senior Vice President

2010
28 MAY
INCEPTION DATE

10
PORTFOLIO MANAGERS

- Average years of experience **12**
- Resources in **3 global offices**

Diversification and inflation-hedging potential

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 financial advisor or PIMCO representative or by visiting www.pimco.com. Please read them carefully before you invest or send money.

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 the **bond market** is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by **changes in interest rates**. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and low interest rate environments increase this risk. Reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility. Bond investments may be worth more or less than the original cost when redeemed. The fund will seek exposure to **commodities** through commodity-linked derivatives and through the PIMCO Cayman Commodity Fund III Ltd., a wholly-owned subsidiary of the Fund organized under the laws of the Cayman Islands (the "Subsidiary"). The Subsidiary is advised by PIMCO, and has the same investment objective as the Fund. The Subsidiary (unlike the Fund) may invest without limitation in commodity-linked swap agreements and other commodity-linked derivative instruments. **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. 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. **High-yield, lower-rated, securities** involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. **Equities** may decline in value due to both real and perceived general market, economic, and industry conditions. **Derivatives** and commodity-linked 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. Commodity-linked derivative instruments may involve additional costs and risks such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. The Fund is **non-diversified**, which means that it may concentrate its assets in a smaller number of issuers than a diversified fund.

Morningstar ratings are only shown for those funds that have achieved a 4 or 5 star rating. Ratings for other share classes are either lower or not available.

Duration is a measure of a portfolio's price sensitivity expressed in years. 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.

The Credit Suisse Commodity Benchmark is an unmanaged index composed of futures contracts on 30 physical commodities. The objective of the benchmark is to gain exposure to the broad commodity universe while maintaining sufficient liquidity. Commodities were chosen based on world production levels, sufficient open interest, and volume of trading. The index is designed to be a highly liquid and diversified benchmark for commodities as an asset class. It is not possible to directly invest into an unmanaged index. It is not possible to invest directly in an unmanaged index.

PIMCO Investments LLC, distributor, 1633 Broadway, New York, NY, 10019 is a company of PIMCO.

Breakeven inflation rate (or expectation) is a market-based measure of expected inflation or the difference between the yield of a nominal and an inflation-linked bond of the same maturity.

Oil Producing and Exporting Countries (OPEC)

PIMCO