

Fund identification

**PIMCO Intermediate Municipal Bond
Active Exchange-Traded Fund**

Fund ticker	MUNI
Fund cusip	72201R866
iNAV (indicative NAV) ticker	MUNI.IV
Exchange	NYSE Arca
Total Net Assets (MM)	\$1,369.8
NAV (month-end)	\$52.75
Shares outstanding	25,970,000

**PIMCO Short Term Municipal Bond
Active Exchange-Traded Fund**

Fund ticker	SMMU
Fund cusip	72201R874
iNAV (indicative NAV) ticker	SMMU.IV
Exchange	NYSE Arca
Total Net Assets (MM)	\$567.7
NAV (month-end)	\$50.06
Shares outstanding	11,340,000

Portfolio managers

David Hammer



Kyle Christine



Mr. Hammer is a managing director in the Newport Beach office and head of municipal bond portfolio management, with oversight of the firm's municipal investment grade, high yield, taxable, and separately managed accounts. He is the lead portfolio manager on PIMCO's municipal bond fund complex, including investment grade, high yield, state-specific, closed-end funds, and interval fund. Prior to rejoining PIMCO in 2015, he was a managing director at Morgan Stanley, where he was head of municipal trading, risk management, and research. He has 19 years of investment experience and holds an undergraduate degree from Syracuse University.

Mr. Christine is a senior vice president and municipal bond portfolio manager in the Newport Beach office. He has previously served as a rotating member of PIMCO's Americas portfolio committee. Prior to joining PIMCO in 2017, he was an institutional high yield and taxable municipal bond trader at Morgan Stanley. He has 10 years of investment and financial services experience and holds an undergraduate degree from Union College (NY).

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.

Market recap

Municipals saw meaningful gains in Q4, ending the year on a positive note. The Bloomberg Municipal Bond Index posted total returns of 7.89% as broader rate markets rallied. AAA tax-exempt yields fell 92-119bps¹ across the curve as Fed policy induced uncertainty started to ease. IG Municipals outperformed the US Treasury Index, which rose 5.66% as market sentiment shifted positive after favorable data suggested rate cuts were on the horizon for 2024. High yield tax-exempts outperformed their investment grade counterparts with the High Yield Municipal Bond Index posting Q4 total returns of 9.21%.

While many segments within the municipal market experienced a strong recovery in Q4, the muni market as a whole has not yet seen a stabilization of fund flows. Broader risks such as political noise, key economic data, Fed speak, and higher cash yields have likely kept municipal investors sidelined. Historically, municipal fund flow recoveries have lagged peak treasury yields by a few months.

Issuance totaled \$96bn in the fourth quarter, compared to \$94bn in 3Q23 and \$71bn in the fourth quarter of 2022. Gross tax-exempt issuance totaled \$79bn, up 36% year-over-year while taxable muni supply recovered, totaling \$10bn, up 25% year over year, although significantly lower than the trailing 5-year Q4 average. Higher rate levels relative to previous years continued to hinder issuers from utilizing taxable advance refunding which was a core driver of taxable muni issuance in recent years.²

¹Muni yields are from Thomson Reuters; MMD-Municipal Market Data . MMD Yield refers to the Thomson Reuters Municipal Markt data yield for AAA rated municipal bonds

²JP Morgan

The credit quality of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The quality ratings of individual issues/issuers are provided to indicate the credit-worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S&P, Moody's, and Fitch respectively.

Intermediate Municipal Bond Strategy (MUNI)

Performance summary

The PIMCO Intermediate Municipal Bond Active Exchange-Traded Fund returned +6.60% (NAV returns) in the fourth quarter versus the Bloomberg 1-15 Year Municipal Bond Index, which returned +6.38% for the quarter. Year-to-date the Fund has returned +6.07% (NAV returns), while the benchmark returned +5.26%.

Contributors include:

- An overweight duration position contributed to performance.
- An overweight exposure to the healthcare sector contributed to performance.
- Select exposure within the industrial revenue sector contributed to performance.

Detractors include:

- An underweight exposure to the education sector detracted from performance.
- Select exposure within the transportation sector detracted from performance.
- Select exposure within the water and sewer sector detracted from performance.

MONTH-END PERFORMANCE AS OF 31 DEC '23

	1-mo	3-mos	6-mos	YTD
PIMCO Intermediate Municipal Bond Active Exchange-Traded Fund NAV Returns (%)	2.45	6.60	3.76	6.07
PIMCO Intermediate Municipal Bond Active Exchange-Traded Fund Market Price Returns (%)	2.81	6.62	3.82	6.07
Bloomberg 1-15 Year Municipal Bond Index (%)	1.89	6.38	3.35	5.26

QUARTER-END PERFORMANCE AS OF 31 DEC '23

	1-yr	5-yr	10-yr	SI*
PIMCO Intermediate Municipal Bond Active Exchange-Traded Fund NAV Returns (%)	6.07	2.28	2.47	2.70
PIMCO Intermediate Municipal Bond Active Exchange-Traded Fund Market Price Returns (%)	6.07	2.28	2.49	2.71
Bloomberg 1-15 Year Municipal Bond Index (%)	5.26	2.17	2.58	2.91

*Fund inception date: 30 November 2009

EXPENSES

Total annual fund operating expense (%)	0.35
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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 principal value will fluctuate, so that Fund shares may be worth more or less than their original cost when sold. Performance data current to the most recent month-end is available at www.pimco.com or call 888-400-4ETF.

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.

* Index performance comparisons begin on 30 November 2009. Performance assumes reinvestment of dividends and capital gains distributions. Taxes on distributions or redemptions have not been deducted.

AS OF 31 DECEMBER 2023

Trading information

Median Bid/ask spread (quarterly)	
as of market close (%)	0.07
Premium/discount (monthly)	
as of market close (%)	0.03
Average daily volume (monthly)	
in shares	241,024

Summary information

Effective duration (yrs)	5.18
Benchmark duration (yrs)	4.70
Effective maturity (yrs)	6.45

Portfolio characteristics

	% of MV
State/local GO	18.6
Pre-refunded	0.1
Education rev.	2.1
Hospital rev.	14.0
Housing rev.	4.4
Ind dev/pollution ctrl	12.0
Lease rev.	5.4
Power rev.	5.3
Resource recovery	0.0
Special tax	14.2
Transportation	9.2
Water & sewer	7.3
Tobacco	1.1
Net Other Short Duration Instruments Muni ¹	0.2
Other muni	0.8
Net Other Short Duration Instruments ex-muni	5.2
Non-municipal sectors	0.0

Effective duration is a calculation for bonds with embedded options. For a portfolio of bonds, average effective maturity is the weighted average of the maturities of the underlying bonds. Duration is a measure of a portfolio's sensitivity to price, expressed in years.

Allocation mix is subject to change and may not be representative of current or future allocations.

Allocation percentage may not equal 100 due to rounding.

¹Net 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 or take into account other pertinent factors 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 = Market value

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, which may be obtained by contacting your PIMCO representative. Please read the prospectus carefully before you invest.

Past performance is not a guarantee or a reliable indicator of future results. The performance figures presented reflect the total return performance, unless otherwise noted, and reflect changes in share price and reinvestment of dividend and capital gain distributions. All periods longer than one year are annualized. Periods less than one year are cumulative.

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.

Exchange Traded Funds ("ETF") are afforded certain exemptions from the Investment Company Act. The exemptions allow, among other things, for individual shares to trade on the secondary market. Individual shares cannot be directly purchased from or redeemed by the ETF. Purchases and redemptions directly with ETFs are only accomplished through creation unit aggregations or "baskets" of shares. Shares of an ETF, traded on the secondary market, are bought and sold at market price (not NAV). Brokerage commissions will reduce returns. Investment policies, management fees and other information can be found in the individual ETF's prospectus. **Buying or selling ETF shares** on an exchange may require the payment of fees, such as brokerage commissions, and other fees to financial intermediaries. In addition, an investor may incur costs attributed to the difference between the highest price a buyer is willing to pay to purchase shares of the Fund (bid) and the lowest price a seller is willing to accept for shares of the Fund (ask) when buying or selling shares in the secondary market (the bid-ask spread). Due to the costs inherent in buying or selling Fund shares, frequent trading may detract significantly from investment returns. Investment in Fund shares may not be advisable for investors who expect to engage in frequent trading. **Net Asset Value (NAV)** represents an ETF's per-share value. The per-share value of an ETF is calculated by dividing the total value of the securities in its portfolio, less any liabilities, by the number of ETF shares outstanding. ETF shares are valued as of the close of regular trading on the New York Stock Exchange (normally 4:00 P.M. Eastern Time) (The "NYSE Close") on each business day. The Fund's Net Asset Value, shares outstanding and total net assets are calculated as of the close of regular trading on each day that the New York Stock Exchange is open, and do not reflect security transactions or Fund shares created or redeemed on the date stated. Such transactions are recorded on the next business day and reported on the website the following business day. Returns are average annualized total returns, except for those periods of less than one year, which are cumulative. Market returns are based upon the midpoint of the bid/ask spread at 4:00 pm Eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times.

A word about risk: Investing in the **bond market** is subject to certain risks including the risk that fixed income securities will decline in value because of changes in interest rates; the risk that fund shares could trade at prices other than the net asset value; and the risk that the manager's investment decisions might not produce the desired results. Income from **municipal bonds** is exempt from federal income tax, but may be subject to state and local taxes and at times the alternative minimum tax; a strategy concentrating in a single or limited number of states or invests a substantial portion of its assets in the bonds of similar municipal projects is subject to greater risk of adverse economic conditions and regulatory changes. **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.

Premiums or discounts are the differences (expressed as a percentage) between the NAV and the Market Price of the Fund on a given day, generally at the time the NAV is calculated. A premium is the amount that the Fund is trading above the reported NAV, expressed as a percentage of the NAV. A discount is the amount that the Fund is trading below the reported NAV, expressed as a percentage of the NAV. A discount or premium could be significant. The daily premium/discount is the difference between the daily market price for shares of the Fund and the Fund's net asset value. For purposes of the premium/discount information, market price is determined using NYSE Arca's or New York Stock Exchange's, as applicable, Official Closing Price or if it more accurately reflects market price at the time as of which NAV is calculated, the midpoint between the national best bid and national best offer as of that time. Market price for purposes of other information is calculated as follows: (i) for time periods preceding December 17, 2020, the midpoint between the highest bid and the lowest offer on the listing exchange, as of the time that the Fund's NAV is calculated and (ii) for the time periods starting December 17, 2020, the NYSE Arca's or New York Stock Exchange's, as applicable, Official Closing Price or, if it more accurately reflects market price at the time as of which NAV is calculated, the midpoint between the national best bid and national best offer as of that time.

Market Price is the Official Closing Price on NYSE Arca or the New York Stock Exchange, as applicable, or if it more accurately reflects market value at the time as of which NAV is calculated, the midpoint between the national best bid and national best offer as of that time.

Median Bid/Ask spread is difference between the bid price for a security and its ask price. It is expressed as a percentage (rounded to the nearest hundredth) that is computed by identifying the fund's national best bid and national best offer as of the end of each 10-second interval during each trading day for the last 30 calendar days, dividing the difference between each such bid and offer by the midpoint of the national best bid and national best offer, and identifying the median of those values.

ETFs are subject to secondary market trading risks. Shares of an ETF will be listed for trading on an exchange, however, there can be no guarantee that an active trading market for such shares will develop or continue. There can be no guarantee that an ETF's exchange listing or ability to trade its shares will continue or remain unchanged. Shares of an ETF may trade on an exchange at prices at, above or below their most recent NAV. The per share NAV of an ETF is calculated at the end of each business day, and fluctuates with changes in the market value of the Fund's holdings. The trading prices of an ETF's shares fluctuate continuously throughout the trading day based on market supply and demand, which may not correlate to NAV. The trading prices of an ETF's shares may differ significantly from NAV during periods of market volatility, which may, among other factors, lead to the Fund's shares trading at a premium or discount to NAV.

In order to provide additional information regarding the intra-day value of shares of the Fund, the NYSE Arca, Inc., New York Stock Exchange or a market data vendor disseminates every 15 seconds through the facilities of the Consolidated Tape Association or other widely disseminated means an updated Indicative NAV ("iNAV") for the Fund as calculated by an information provider or market data vendor. The Fund is not involved in or responsible for any aspect of the calculation or dissemination of the iNAV and makes no representation or warranty as to the accuracy of the iNAV.

Current holdings are subject to risk. Holdings are subject to change at any time. An investment in an ETF involves risk, including the loss of principal. Investment return, price, yield and Net Asset Value (NAV) will fluctuate with changes in market conditions. Investments may be worth more or less than the original cost when redeemed.

The **Bloomberg Barclays 1-Year Municipal Bond Index** is the 1 Year (1-2) component of the Municipal Bond Index. The Index is a rules-based, market-value-weighted index engineered for the long term tax-exempt bond market. To be included in the Index, bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P and Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. They must have an outstanding par value of at least \$7 million and be issued as part of a transaction of at least \$75 million. The bonds must be fixed rate, have a dated-date after December 31, 1990, and must be at least one year from their maturity date. Remarketed issues, taxable municipal bonds, bonds with floating rates, and derivatives, are excluded from the benchmark. The **Bloomberg Barclays 1-15 Year Municipal Bond Index** consists of a broad selection of investment grade general obligation and revenue bonds of maturities ranging from one year to 17 years. It is not possible to invest directly in an index.

PIMCO as a general matter provides services to qualified institutions, financial intermediaries and institutional investors. Individual investors should contact their own financial professional to determine the most appropriate investment options for their financial situation. This material contains the current opinions of the manager and such opinions are subject to change without notice. This material has been distributed for informational purposes only. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America LLC in the United States and throughout the world. ©2024, PIMCO.

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