TRENDS Managed Futures Strategy Fund

CLASS:	**INSTITUTIONAL**
FUND INCEPTION DATE:	**31 DECEMBER 2013**
TICKER:	**PQTIX**
CUSIP:	**72201U455**
TOTAL NET ASSETS (IN MILLIONS):	**$1,038.8**

PORTFOLIO MANAGERS

Matthew Dorsten, Graham Rennison

ASSET CLASS EXPOSURE (%)

	Percent of risk allocation
Currency	7.31
Equity	23.54
Rates	34.70
Commodity	34.45

Fund description

PIMCO TRENDS Managed Futures Strategy Fund is an alternative investment strategy that seeks to capture momentum across major asset classes including equities, interest rates, commodities and currencies. The strategy follows a disciplined trading approach informed by PIMCO's proprietary quantitative analytics and by PIMCO's market knowledge. Additionally, the strategy draws upon our global trading platform and active fixed-income management to add additional sources of value to our clients.

INVESTOR BENEFITS

The fund offers exposure to alternative sources of return that are uncorrelated to traditional asset classes, such as stocks and bonds, potentially enhancing portfolio diversification, via a cost-effective liquid alternative mutual fund.

Potential benefits of this fund include:

- May help reduce both portfolio volatility and drawdown while generating positive returns: Historically, managed futures have generated a positive return while displaying a low to negative correlation with risk assets and attractive left tail-characteristics.
- Seeks to provide positive returns in varying market environments: Because the strategy is able to establish long and short positions across a variety of asset classes, it has the potential to generate positive returns in any market environment.
- Aims to generate additional returns from the collateral portfolio: PIMCO's active fixed-income management looks to generate additional returns from the collateral portfolio backing the fund's derivatives' positions.

THE FUND ADVANTAGE

PIMCO TRENDS Managed Futures Strategy Fund offers three distinct advantages. First, PIMCO's global trading platform adds value to a multi-asset class strategy such as managed futures through improved execution, actively managed roll strategies for futures positions, and a fully integrated risk management of futures and collateral positions. Second, PIMCO's active fixed income management seeks to generate additional returns from the collateral portfolio, while managing risk and meeting the collateral needs of the strategy. Finally, PIMCO's market knowledge is used to refine the quantitative approach. Markets and contracts traded are influenced by PIMCO's bottom-up and top-down views.

VALUE OF LIQUID ALTERNATIVE STRATEGIES

Liquid alternative strategies provide daily liquidity without the principal lock-ups of traditional alternative vehicles. They offers investors attractive return potential, and because of its low or negative correlation to traditional asset classes such as core equities and bonds, may also provide diversification benefits that help to reduce overall volatility and downside risk. While diversification is not a guarantee against loss, this diversification may prove to be particularly valuable during periods of economic weakness or heightened market stress when equities tend to dominate the risk profile of traditional investment portfolios.

Performance (net of fees)	S. incept.	5 yrs.	3 yrs.	1 yr.	6 mos.	3 mos.
PIMCO Fund (%)	4.45	3.19	6.38	4.90	10.21	3.13
Benchmark (%)	1.12	1.49	1.77	0.56	0.12	0.06

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.

Lipper rankings* (Alternative Managed Futures Funds)	5 yrs.	3 yrs.	1 yr.
Fund rank	7	10	51
Number of funds	71	88	95
Quartile	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.

MV% may not equal 100 due to rounding.

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 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 VIII 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. **Commodities** contain heightened risk including market, political, regulatory, and natural conditions, and may not be suitable for all investors. **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. 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. **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. The models evaluate securities or securities markets based on certain assumptions concerning the interplay of market factors. Models used may not adequately take into account certain factors, may not perform as intended, and may result in a decline in the value of your investment, which could be substantial. **Diversification** does not ensure against loss.

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 minimum initial investment for institutional class shares is $1 million; however, it may be modified for certain financial intermediaries who submit trades on behalf of eligible investors.

BASIC FACTS

Dividend frequency	**Quarterly**

FUND EXPENSES

Gross Expense Ratio	**1.69%**
Net Expense Ratio	**1.49%**

The Net Expense Ratio reflects a contractual fee waiver and/or expense reduction, which is in place through 31 July 2021 and renews automatically for a full year unless terminated by PIMCO in accordance with the terms of the agreement.

Adjusted Expense Ratio	**1.40%**

The Adjusted Expense Ratio is the same as the Net Expense Ratio, but also 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 (%)[1]	
Subsidized:	**-1.15%**
Unsubsidized:	**-1.37%**

[1] 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.

ABOUT THE BENCHMARK

The 3 Month USD LIBOR (London Interbank Offered Rate) Index is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money (3 months) in England's Eurodollar market. It is not possible to invest in an unmanaged index.

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.

FOR MORE INFORMATION, CALL YOUR PIMCO REPRESENTATIVE AT 888.87.PIMCO.

VISIT OUR WEBSITE FOR A FULL MENU OF PRODUCTS AND SERVICES AT PIMCO.COM.