

Fund information

| | | |
|--------------------------------|------------------|--------|
| Fund inception date | 31 May 2012 | |
| Strategy | Short Term | |
| Total Net Assets (in millions) | \$4,898.4 | |
| Portfolio manager(s) | Jerome Schneider | |
| Effective duration (yrs) | 0.18 | |
| Benchmark duration (yrs) | 0.23 | |
| Effective maturity (yrs) | 0.66 | |
| Inst. share 30-day SEC yield | 0.35% | |
| Class | CUSIP | Ticker |
| Institutional | 72201U828 | PAIDX |

Expenses

| | |
|----------------------------|------|
| Gross Expense Ratio (%) | 0.36 |
| Adjusted Expense Ratio (%) | 0.34 |

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 summary

The PIMCO Short Asset Investment Fund returned 0.05% after fees in October, outperforming the FTSE 3-Month Treasury Bill Index by 0.04%. Year-to-date the Fund has returned 1.03% after fees, outperforming the benchmark by 0.47%.

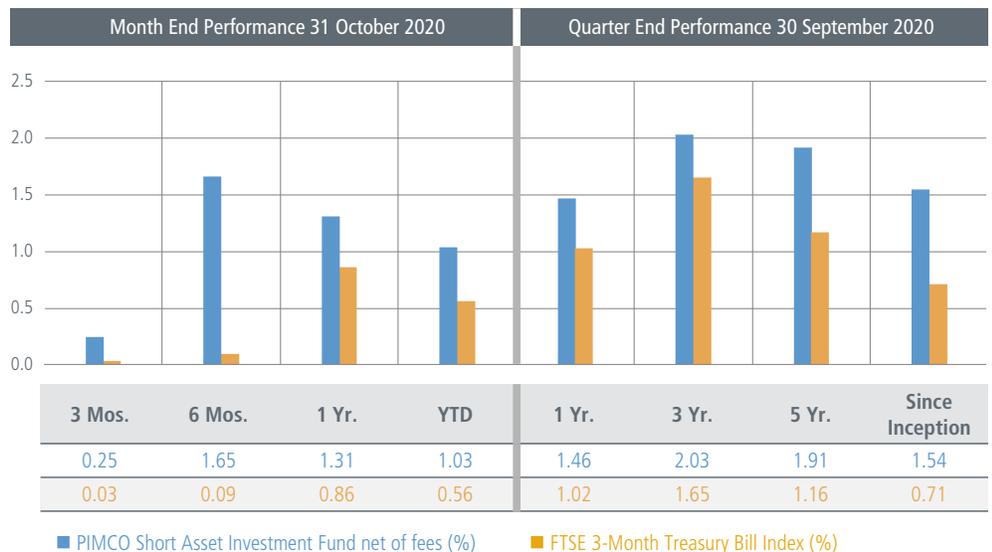
Risk asset performance was mixed in October as a host of uncertainties - including surging coronavirus cases, declining expectations of further U.S. fiscal stimulus, and election jitters - weighed on sentiment. Global equity markets experienced volatility with the S&P 500 ending 2.7% lower. Credit spreads, on the other hand, tightened amid strong technicals and declining supply. Meanwhile, developed market rate moves were mixed: yields across the eurozone broadly fell as new lockdown measures were introduced, while yields in the U.S., U.K., and Japan rose.

Contributors

- Holdings of investment grade corporate credit
- U.S. interest rate positioning
- Holdings of government related securities

Detractors

- There were no notable detractors



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.

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.

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.

Portfolio characteristics as of 31 October 2020

| | % Market Value | Duration (years) |
|--|----------------|------------------|
| Government-Related | 16.0 | -0.03 |
| U.S. Treasury ¹ | -0.6 | -0.18 |
| U.S. Agency ² | 16.7 | 0.15 |
| Swaps and Liquid Rates ³ | 0.0 | 0.00 |
| Securitized ⁴ | 18.3 | 0.07 |
| Invest. Grade Credit | 34.8 | 0.07 |
| High Yield Credit | 0.2 | 0.00 |
| Non-USD Developed | 0.0 | 0.00 |
| Emerging Markets | 0.0 | 0.00 |
| Bonds and Other Long Duration Instruments | 0.0 | 0.00 |
| Short Duration Instruments ⁵ | 0.0 | 0.00 |
| Other | 17.9 | 0.04 |
| Convertibles | 0.0 | 0.00 |
| Euro/Yankees | 3.2 | 0.01 |
| Preferred Stock | 0.0 | 0.00 |
| Municipal | 0.7 | 0.00 |
| Other | 13.9 | 0.03 |
| Net Other Short Duration Instruments ⁶ | 12.7 | 0.02 |

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 Includes U.S. Treasury notes, bonds, futures, and inflation-protected securities

² Includes U.S. agencies, FDIC-guaranteed and government-guaranteed corporate securities, and supranationals

³ Includes U.S. dollar denominated interest rate swaps, swaptions, options, and other rate related derivatives. Other portfolio derivatives, where applicable, may be included as part of other sectors based upon their underlying risk characteristics.

⁴ The Securitized bucket will include Agency MBS, non-Agency MBS, CMBS, ABS, CDO, CLO, and Pooled Funds.

⁵ 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".

⁶ 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 is modest in its overall duration positioning. We currently source duration from high quality developed markets including Canada to balance global risks and exploit relative value opportunities. We tactically adjust our interest rate exposure as the yield curve responds to economic uncertainty and central bank support. We hold high quality floating rate securities as a way to potentially preserve capital and generate attractive income.

The fund is currently focused on maintaining liquidity by holding high quality securities that trade at an attractive risk-adjusted spread to Treasuries. We continue to hold short dated corporate bonds, Yankee bonds and commercial paper. High quality, short dated asset backed securities add an alternative source of spread. We have a modest short position to high yield corporate credit as a hedge

against widening corporate credit spreads. We continue to hold Agency MBS as these provide attractive, high quality and diversifying sources of yield. The overweight to Agency MBS not only offers better risk-adjusted returns but also offers the potential for resiliency in downturns, given that the sector is essentially government guaranteed and is less correlated to traditional corporate and other credit risk.

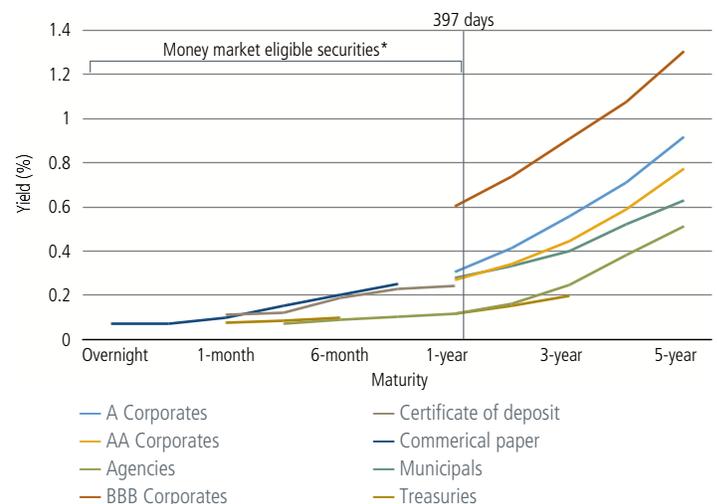
Month in review

The Short Asset Investment Fund's NAV outperformed its benchmark in October, as spread and duration strategies contributed.

Spread strategies were positive for performance in October, as holdings of investment grade corporate credit and government related securities contributed.

Duration strategies were positive for performance in October, as U.S. interest rate positioning contributed.

Short maturity yields



*Short Asset Investment Fund is not a money market fund.

Outlook and strategy

We will continue to manage the strategy for investors who seek capital preservation and liquidity, while aiming to provide attractive returns above traditional cash investments. We position the portfolio for resiliency as the economic impacts of the virus and reopening efforts continue to manifest. We continue to be cautious on interest rate exposure. We are emphasizing opportunities that offer ample liquidity, compelling yields, and capital preservation.

We continue to favor high quality corporate credit, with preference for short-dated maturities. Individual credit selection remains a key component in identifying the most attractive issues. Selective sector rotation offers opportunities to benefit from attractive valuations. High quality ABS provides a diversifying source of yield and complements unsecured corporate debt. Outside of the U.S., we find select opportunities in covered bonds, U.S. dollar denominated foreign government bonds and agency debt. These typically offer modest spreads above comparable U.S. government securities.

As opportunities emerge from market dislocations, we plan to provide liquidity, aiming for attractive risk adjusted returns consistent with the strategy's capital preservation, liquidity and current income objectives.

Management profile



Jerome Schneider
Managing Director

\$4.8 BILLION AUM

7
PORTFOLIO
MANAGERS

17YRS
Average years of portfolio
managers' experience

2012
31 MAY
INCEPTION DATE

Seeks maximum current income, consistent with daily liquidity

Seeks maximum current income, consistent with daily liquidity

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 **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. **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. **Sovereign securities** are generally backed by the issuing government, obligations of U.S. Government agencies and authorities are supported by varying degrees but are generally not backed by the full faith of the U.S. Government; portfolios that invest in such securities are not guaranteed and will fluctuate in value. **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. **Portfolio turnover** may indicate higher transactions costs and may result in higher taxes when fund shares are held in a taxable account. **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.

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.

FTSE 3-Month Treasury Bill Index is an unmanaged index representing monthly return equivalents of yield averages of the last 3 month Treasury Bill issues. It is not possible to invest directly in an unmanaged index.

Statements concerning financial market trends or portfolio strategies are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions or are suitable for all investors and each investor should evaluate their ability to invest for the long term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice. Performance reflects changes in share price, reinvestment of dividends and capital gains distributions. All periods longer than one year are annualized. This material contains the current opinions of the manager but not necessarily those of PIMCO and such opinions are subject to change without notice. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. 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 L.P. in the United States and throughout the world. ©2020, PIMCO.

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Mortgage-and asset-backed securities (MBS)/(ABS) may be sensitive to changes in interest rates, subject to early repayment risk, and while generally supported by a government, government-agency or private guarantor, there is no assurance that the guarantor will meet its obligations.