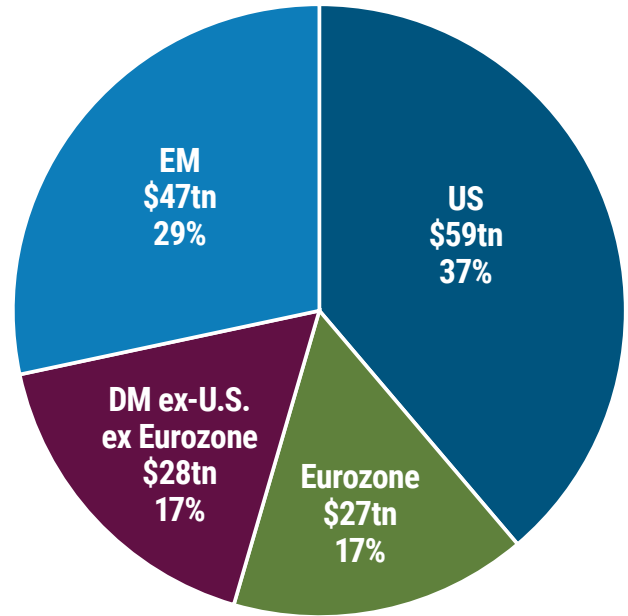


# Going Global: Expanding into a Global Opportunity Set May Improve Diversification and Return Potential

Domestic markets are only a fraction  
of the opportunity set available to  
global fixed income investors

Expanding from a domestic investment universe to a global one may enhance return potential by diversifying a portfolio's risk across a broader array of rate environments, growth dynamics, and credit profiles.

Over 60% of the global bond market is outside the U.S. Size (\$)



As of 30 September 2025. SOURCE: PIMCO, Haver, BIS.

Annual Returns for Key Global Markets  
U.S. dollar basis\* (Ranked in order of performance)

● US	● Eurozone	● U.K.	● Japan
● Australia	● Canada	● EM Local	● EM External

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
10.89%	15.21%	5.25%	14.42%	8.92%	0.23%	-3.23%	12.70%	5.73%	19.26%	0.62%
10.19%	9.32%	3.56%	13.47%	8.74%	-1.51%	-10.29%	10.45%	5.00%	13.45%	-0.05%
9.94%	3.58%	2.98%	9.40%	7.51%	-1.54%	-11.04%	9.14%	3.44%	7.30%	-0.39%
5.81%	3.54%	1.95%	9.02%	5.88%	-2.60%	-11.69%	7.37%	3.28%	5.52%	-0.43%
4.70%	2.92%	1.43%	8.98%	5.80%	-2.62%	-13.01%	6.36%	2.51%	4.07%	-0.85%
2.65%	2.82%	0.01%	8.72%	4.38%	-3.59%	-16.44%	6.25%	1.25%	3.76%	-1.14%
1.60%	2.68%	-4.61%	7.66%	2.69%	-4.62%	-16.45%	5.91%	-2.10%	2.75%	-1.91%
1.13%	1.86%	-6.21%	4.67%	0.22%	-8.75%	-21.86%	5.53%	-2.38%	-2.16%	-2.25%

As of 31 March 2026. SOURCE: Bloomberg. **Past performance is not a guarantee or reliable indicator of future results.**

\*All indices on a U.S. dollar hedged basis, except for Local and External EM proxies.

United States represented by Bloomberg U.S. Agg Index USD Hedged, Eurozone represented by Bloomberg Euro Agg Index USD Hedged, Japan represented by Bloomberg Japanese Agg Index USD Hedged, Australia represented by Bloomberg Australian Agg Index USD Hedged, Canada represented by Bloomberg Canadian Aggregate Index (USD-Hedged), Local EM represented by JPMorgan GBI-EM Global Diversified Index USD Unhedged, External EM represented by JPMorgan EMBIG Diversified Index USD Unhedged, United Kingdom represented by Bloomberg Sterling Agg Index USD Hedged.

**IMPORTANT NOTICE:** Please note that this document 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.

**Past performance is not a guarantee or a reliable indicator of future results.**

All investments contain risk and may lose value. 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. 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. **Diversification** does not ensure against loss.

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 appropriate 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. No representation is being made that any account, product, or strategy will or is likely to achieve profits, losses, or results similar to those shown.

**Bloomberg U.S. Aggregate Index** represents securities that are SEC-registered, taxable, and dollar denominated. 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. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. The **Bloomberg Euro Aggregate Index USD Hedged** measures the performance of fixed-rate, investment-grade Euro-denominated debt securities while mitigating currency fluctuations against the U.S. dollar. It includes government, corporate, and securitized bonds, making it a comprehensive benchmark for European fixed income. The **Bloomberg Japanese Aggregate Index (USD Hedged)** tracks fixed-rate, investment-grade, JPY-denominated bonds while using 1-month rolling forward contracts to eliminate fluctuations between the Japanese Yen and the U.S. Dollar. It provides investors pure exposure to Japanese fixed income without the currency risk of the JPY/USD exchange rate. The **Bloomberg Australian Aggregate Index USD Hedged** measures the performance of investment-grade, AUD-denominated fixed-rate bonds (including treasury, government-related, corporate, and securitized issues) while utilizing currency forward contracts to hedge the Australian Dollar (AUD) exposure back to the US Dollar (USD). The **Bloomberg Canadian Aggregate Index (USD Hedged)** is a fixed-income benchmark that tracks the performance of the Canadian dollar-denominated, investment-grade bond market (including treasury, government-related, and corporate securities) while eliminating the currency fluctuation risk for U.S. dollar-based investors by hedging currency exposure back to USD. **JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged)** is a comprehensive global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure. The **J.P. Morgan EMBI Global Diversified (USD Unhedged)** is a benchmark index tracking the total return of U.S. Dollar-denominated emerging market sovereign and quasi-sovereign debt instruments. "USD Unhedged" indicates that the index performance is measured in U.S. Dollars without adjusting for foreign exchange fluctuations. The **Bloomberg Sterling Aggregate Index USD Hedged** is a benchmark designed to track the performance of investment-grade, British pound (GBP)-denominated bonds while mitigating currency risk for US investors. It measures the returns of UK government, corporate, and securitized fixed-rate bonds, translating the GBP performance back into USD. It is not possible to invest directly in an unmanaged index.

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