

Why on the platform & why use in a client portfolio?

- 1 Income-focused portfolio seeks to maximize risk-adjusted yield in a diversified manner across a range of fixed income sectors and underlying strategies.
- 2 Leverages firmwide expertise with the veteran PIMCO Investment Committee developing forward-looking views used by the Asset Allocation team, while relying on experienced fund portfolio managers for bottom-up security selection.
- 3 A systematic approach uses inputs from across the PIMCO organization to tactically adjust the portfolio for multiple scenarios.
- 4 Flexible, diversified approach that combines various alpha and beta sources by allocating across proprietary actively managed mutual funds with expectations to consistently generate income above the Barclays U.S. Aggregate benchmark.
- 5 The overall strategy has a brief track record but holds several underlying strategies that have extended long-term track records with established asset bases.

What do you need to know?

- 1 Portfolio constructed using Core and Satellite approach. Core holdings include opportunistic unconstrained and broad market strategies, while Satellite holdings mainly provide dedicated exposure to fixed income regions or sectors.
- 2 Tends to take a slightly longer-term view in allocations with changes typically made on a quarterly basis and can be up to 15%. While changes can occur more frequently if market conditions warrant, quarterly changes ensure that allocations are in line with PIMCO's secular forward-looking outlook.
- 3 Tends to have a US bias and will allocate to various global sectors including up to 15% in emerging markets when opportunities for attractive risk-adjusted yields arise.
- 4 Allocation changes across the underlying strategies are driven by an optimization process with no input from a fundamental overlay.
- 5 Performance will be impacted by the returns generated from the underlying strategies due to their ability to make significant daily allocation changes across global sectors and individual securities.

IMPORTANT INFORMATION

This is for informational purposes only, is not a solicitation, and should not be considered investment or tax advice. This report has been drawn from sources believed to be reliable, but its accuracy is not guaranteed, and is subject to change.

Investing involves risk, including the possible loss of principal. Past performance does not guarantee future results. Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns. There is no guarantee that a diversified portfolio will outperform a non-diversified portfolio. No investment strategy, such as asset allocation, can guarantee a profit or protect against loss. It is not possible to invest directly in an index.

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