

# PIMCO Unconstrained Bond Fund (Canada)

## An absolute return-oriented bond fund

PIMCO Unconstrained Bond Fund (Canada) takes a flexible approach to capturing global opportunities and managing risk. It strives to actively mitigate downside risk, provide attractive risk-adjusted returns and preserve the diversification benefits of a traditional fixed income portfolio.

- **Tactically allocated across a global opportunity set** by removing benchmark constraints, the fund gains significant latitude to tap into credit, interest rate, volatility and currency opportunities across global sectors and regions.
- **Absolute return focus** The fund's defensive capabilities and wide duration range (-3 to +8 years) help it to enhance returns across a wide range of market environments.
- **A unique portfolio complement** The fund seeks to provide many of the benefits associated with core bond funds - such as capital preservation, liquidity and diversification. At the same time, it aims to deliver returns materially above cash over full market cycles.

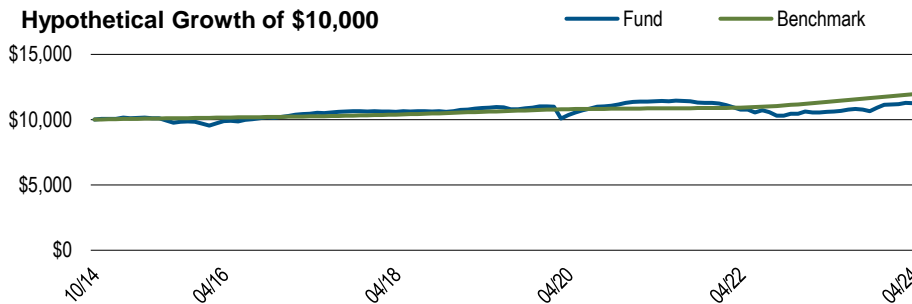
## Fund Data

Fund Inception Date	30 September 2014
Series Inception Date	30 September 2014
Total Net Assets CAD (in millions)	\$79.1
Series O Fund Code	PMO409
Series O MER <sup>1</sup>	1.40%
Series O Management Fee	1.30%

<sup>1</sup> As of December 31 2023. Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

## Fund Statistics

Effective Duration (yrs)	2.41
Effective Maturity (yrs)	2.35
Sharpe Ratio (5 year)	-0.26
Volatility (5 year)	5.15%
Benchmark	Canadian Overnight Repo Rate (CORRA)



The Growth of \$10,000 chart shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the mutual fund or returns on investment in the mutual fund.

Avg. annual total returns (%) as of 30 Apr '24	1 mos.	3 mos.	6 mos.	1 Yr.	3 Yrs.	5 Yrs.	SI
PIMCO Unconstrained Bond Fund (Canada)	-0.28	0.78	5.63	6.24	-0.45	0.65	1.40
Canadian Overnight Repo Rate (CORRA)	0.41	1.25	2.54	5.16	3.23	2.42	1.87

Calendar Year Returns	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
PIMCO Unconstrained Bond Fund (Canada)	-2.13	3.59	4.14	0.13	3.60	2.47	0.01	-7.39	6.47	1.09
Canadian Overnight Repo Rate (CORRA)	0.94	0.89	1.13	1.86	2.06	0.97	0.45	2.58	5.15	1.68

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all dividends and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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.

## Volatility Meter/Risk Rating



This rating is based on how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

## Portfolio Manager

Mohit Mittal, Marc Seidner

## 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.

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**Sector Allocation (Duration in Years)**

Government Related	-2.59
Securitized <sup>‡</sup>	3.83
Invest. Grade Credit	0.65
High Yield Credit	0.13
Emerging Markets <sup>‡</sup>	0.37
Municipal/Other	0.00
Net Other Short Duration Instruments <sup>†</sup>	0.02
<b>Total</b>	<b>2.41</b>

*No offering is being made by this material. Interested investors should obtain a copy of the prospectus, which is available from your Financial Advisor.*

<sup>‡</sup>The Securitized bucket will include Agency MBS, nonAgency MBS, CMBS, ABS, CDO, CLO, and Pooled Funds.

<sup>‡</sup>Short duration emerging markets 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. Emerging Markets includes the value of short duration emerging markets instruments previously reported in another category.

<sup>†</sup>Net Other Short Duration Instruments includes securities and other instruments (except 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.

**Past performance is not a guarantee or a reliable indicator of future results.** The performance figures presented reflect the total return performance and reflect changes in unit price and reinvestment of dividend and capital gain distributions. All periods longer than one year are annualized. Funds typically offer different series, which are subject to different fees and expenses (which may affect performance), having different minimum investment requirements and are entitled to different services. 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 unitholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant unit purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

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**A word about risk: Absolute return portfolios** may not fully participate in strong positive market rallies. 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. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and while generally backed by a government, government-agency or private guarantor there is no assurance that the guarantor will meet its 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. **Currency rates** may fluctuate significantly over short periods of time and may reduce the returns of a portfolio. The **use of leverage** may cause a portfolio to liquidate positions when it may not be advantageous to do so to satisfy its obligations or to meet segregation requirements. Leverage, including borrowing, may cause a portfolio to be more volatile than if the portfolio had not been leveraged. **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.

**Portfolio structure** is subject to change without notice and may not be representative of current or future allocations.

Although the Fund may seek to maintain stable distributions, the Fund's distribution rates may be affected by numerous factors, including but not limited to changes in realized and projected market returns, fluctuations in market interest rates, Fund performance, and other factors. There can be no assurance that a change in market conditions or other factors will not result in a change in the Fund's distribution rate or that the rate will be sustainable in the future. For instance, during periods of low or declining interest rates, the Fund's distributable income and dividend levels may decline for many reasons. For example, the Fund may have to deploy uninvested assets (whether from purchases of Fund units, proceeds from matured, traded or called debt obligations or other sources) in new, lower yielding instruments. Additionally, payments from certain instruments that may be held by the Fund (such as variable and floating rate securities) may be negatively impacted by declining interest rates, which may also lead to a decline in the Fund's distributable income and dividend levels.

**Duration** is a measure of a portfolio's price sensitivity expressed in years.

The **Sharpe Ratio** measures the risk-adjusted performance. The risk-free rate is subtracted from the rate of return for a portfolio and the result is divided by the standard deviation of the portfolio returns.

**Volatility** is measured by the standard deviation, or dispersion of a set of data from its mean, based on historical portfolio returns. A larger spread of data indicates higher standard deviation and higher volatility.

**Effective maturity** is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bond's effective maturity by the market value of the security.

Canadian Overnight Repo Rate (CORRA) measures the cost of overnight general collateral funding in Canadian dollars using Government of Canada treasury bills and bonds as collateral for repurchase transactions.

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PIMCO Canada has retained PIMCO LLC as sub-adviser. PIMCO Canada will remain responsible for any loss that arises out of the failure of its sub-adviser.

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For more information about the risk rating and specific risks that can affect the fund's returns, see the "What are the Risks of Investing in the Fund?" section of the fund's simplified prospectus.